U.S. Patent Application No. 10/052,900
Attorney Docket No. 1011/1

IN THE UNITED STATES PATENT & TRADEMARK OFFICE

INVENTOR: Jonathan Edwards

ASSIGNEE: GlobalServe, Inc.

SERIAL NO.: 10/052,900

FILING DATE: January 18, 2002

EXAMINER: Ms. Sarah R. Gedrich

ART UNIT: 3625

TITLE: ELECTRONIC PROCUREMENT

ATTY DOCKET: 1011/1

VIA FACSIMILE TO CENTRAL FAX NUMBER (571) 273-8300

ASSISTANT COMMISSIONER FOR PATENTS
WASHINGTON, D.C. 20231

SIR:

AFFIDAVIT UNDER 37 C.F.R § 1.131

I, Melanie Bolan, do declare and state:

1. I am currently Executive Vice President of Legal Affairs and Administration of

GlobalServe Computer Services, Ltd. ("GlobalServe), which is the assignee of the above-

identified patent application. I make this statement on behalf of GlobalServe and am fully

authorized and capable of so doing.

2. I am aware of the facts surrounding the conception and reduction to practice of the

invention, of which the above-identified patent application seeks to claim and patent.

3. All dates on the attached exhibits have been masked unless otherwise stated herein by

reference to specific dates.

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U.S. Patent Application No. 10/052,900
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4. Prior to June 14, 2000 Mr. Jonathan Edwards completed the invention as described and claimed in the above-identified patent application, as evidenced by the following:

a. A formal announcement was made prior to June 14, 2000 launching a website service that embodied the present invention, which was included on the World Wide Web at www.global-serve.com. A copy of this announcement is included as Exhibit A. In this press release, GlobalServe's NetProvisioning application is discussed, which was described as a global e-procurement solution that automates procurement of PC-related products and services. NetProvisioning is further described as an e-procurement Extranet, which facilitates and centralizes the traditional supply chain process.

b. An article providing an Executive Summary of the GlobalServe Solution was available on the World Wide Web prior to June 14, 2000, a copy of which is attached as Exhibit B. This article describes NetProvisioning.com as an on-line application used by procurement specialists to buy equipment using pre-established pricing and corporate standards. The article further states "Currency conversions, local tariffs, and asset audits are automated." This shows a user could access a website and its database to view an online catalog to purchase items suppliable by a vendor.

c. Copies of pages showing the website www.global-serve.com are included as Exhibit C, which are representative of the website www.global-serve.com prior to June 14, 2000. Page two of Exhibit C appears as FIG 5 of the present application. Page three of Exhibit C appears as FIG 8 of the present application. Page six of Exhibit C appears as FIG 9 of the present application. Page seven of Exhibit C appears as FIG 10 of the present application. Page eight of Exhibit C appears as FIG 11 of the present application. Page nine of Exhibit C appears as FIG 12 of the present application. Page one of Exhibit

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C shows how a user could access the NetProvisioning Application on the Internet. Page two shows a web page presented to the user for placing an order for certain items and their associated prices and availability. Page three shows a shopping basket of a user interacting with the website application. Page four shows a user creating an order using the website application. Page five shows an item list, which a user can search via the application. Page six shows an order preview page from the application. Page seven shows an order confirmation. Page eight shows an order tracking page. Page nine shows an order reporting page. These pages completely describe a user's interaction with a web server and database to create an order of PC equipment in accordance with previously established prices and terms.

d. GlobalServe produced a business plan describing the market of the invention prior to June 14, 2000, which business plan is included as Exhibit D. Page 6 of the business plan in Exhibit D describes the hardware configuration used to operate the NetProvisioning application. This hardware configuration includes a Compaq Server platform connected by Cisco Internetworking hardware, and Microsoft NT 4.0 Servers and SQL Server software as the primary operating system and database configuration. Page 10 of the business plan in Exhibit D describes the NetProvisioning application as an "online procurement application that allows a procurement specialist the ability to buy computer equipment based on corporate dictated specifications at pre-negotiated global pricing schemas in a matter of a few minutes."

E. Mr. Edwards met with several patent attorneys on June 14, 2000 to discuss the invention, which was recorded on tape. A copy of the transcript of this recording is included as Exhibit E. On page 1, fourth paragraph, Jonathan Edwards (JE) describes a

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U.S. Patent Application No. 10/052,900
Attorney Docket No. 1011/1

method of providing an electronic procurement to a customer. In the same paragraph, JE describes having built a catalogue and processes that allow a customer to come into the catalogue, and place an order, track an order and report on and provide management reporting. This shows having an online catalog with commercial terms between a purchaser and vendor. In the same paragraph, JE describes the application as enabling a customer from his PC to be able to order PC and related technologies anywhere around the globe at his globally negotiated contract price.

F. Copies of three contracts that were included in the patent application were provided at this meeting of June 14, 2000, which contracts are included as Exhibit F. These contracts are examples of the pre-established contracts referred to in the patent application.

I declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true, and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment or both under § 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

_____   Date: <u>August 16, 2007</u>
Melanie Bolan

IN THE UNITED STATES PATENT & TRADEMARK OFFICE

INVENTOR: Jonathan Edwards

ASSIGNEE: GlobalServe, Inc.

SERIAL NO.: 10/052,900

FILING DATE: January 18, 2002

EXAMINER: Ms. Sarah R. Gedrich

ART UNIT: 3625

TITLE: ELECTRONIC PROCUREMENT

ATTY DOCKET: 1011/1

VIA FACSIMILE TO CENTRAL FAX NUMBER (571) 273-8300

ASSISTANT COMMISSIONER FOR PATENTS
WASHINGTON, D.C. 20231

SIR:

AFFIDAVIT UNDER 37 C.F.R § 1.131

I, Sanjeev Srinivas, do declare and state:

1. I am currently Chief Software Architect of GlobalServe Computer Services, Ltd. ("GlobalServe), which is the assignee of the above-identified patent application. I make this statement on behalf of GlobalServe and am fully authorized and capable of so doing.

2. I am aware of the facts surrounding the conception and reduction to practice of the invention, of which the above-identified patent application seeks to claim and patent.

3. All dates on the attached exhibits have been masked unless otherwise stated herein by reference to specific dates.

4. Prior to June 14, 2000 Mr. Jonathan Edwards completed the invention as described

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U.S. Patent Application No. 10/052,900
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a. A formal announcement was made prior to June 14, 2000 launching a website service that embodied the present invention, which was included on the World Wide Web at www.global-serve.com. A copy of this announcement is included as Exhibit A. In this press release, GlobalServe's NetProvisioning application is discussed, which was described as a global e-procurement solution that automates procurement of PC-related products and services. NetProvisioning is further described as an e-procurement Extranet, which facilitates and centralizes the traditional supply chain process.

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- 2 -

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describes having built a catalogue and processes that allow a customer to come into the catalogue, and place an order, track an order and report on and provide management reporting. This shows having an online catalog with commercial terms between a purchaser and vendor. In the same paragraph, JE describes the application as enabling a customer from his PC to be able to order PC and related technologies anywhere around the globe at his globally negotiated contract price.

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I declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true, and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment or both under § 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

_____ Date: <u>August 16, 2007</u>
Sanjeev Srinivas

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EXHIBIT A

GlobalServe

PRESS RELEASE

GLOBALSERVE ANNOUNCES FULL-SERVICE LAUNCH OF GLOBAL PROCUREMENT WEB SITE FOR PC RELATED PRODUCTS AND SERVICES

NEW YORK, ▇▇▇▇▇▇▇▇ - GlobalServe (www.Global-Serve.com), a leading business-to-business provider of e-supply chain solutions on the Internet, today announced the launch of its full-service NetProvisioning product. A global e-procurement solution, NetProvisioning.com simplifies complexity of in-country purchases by managing and automating procurement of PC-related products and services in more than 90 countries.

GlobalServe has leveraged the Internet to offer a central point-of-purchase for buyers around the world, featuring automated multi-currency pricing and local product standardization. In addition, because GlobalServe facilitates global fixed prices with major international manufacturers, and offers volume business to local resellers, NetProvisioning.com buyers everywhere can take advantage of efficient global pricing.

For international manufacturers like IBM, Compaq, Toshiba, and Hewlett-Packard, who seek to provide the most efficient selling solutions, GlobalServe serves as a truly global delivery method to reach local buyers. For local procurement officers, purchasing equipment from leading PC vendors has never been easier or more cost efficient.

"GlobalServe is the long-awaited solution to the complexity of international purchasing, an imperative in this global economy," said Paul Cimino, CEO of Snickelways Interactive. "It was a fantastic challenge for Snickelways to help build this e-procurement Extranet, which represents a profoundly significant function of the Web. GlobalServe's NetProvisioning application provides better service to buyers and sellers by facilitating and centralizing the traditional supply chain process."

"Snickelways was an ideal partner in this venture, with the skill set to understand the uniqueness of the NetProvisioning application and the ability to execute the concept around a sophisticated pricing scheme," said Jonathan Edwards, CEO of GlobalServe. "Snickelways understood our vision, developed a program exclusively for our needs, and helped us steer a clear route."

About GlobalServe:
Founded in 1998 and based in New York and London, GlobalServe is the leading business-to-business provider of e-supply chain solutions on the Internet. Leveraging its unique relationships with manufacturers, distributors and resellers, GlobalServe employs the Internet to automate the entire supply chain process for buyers and sellers around the world. NetProvisioning.com enables Web-based procurement, while RemoteServiceDesk.com provides local servicing to customers through a full range of managed services.

About Snickelways Interactive:
Founded in 1995, Snickelways Interactive is an electronic commerce solutions provider that offers its clients innovative online business solutions. The Company offers a full range of marketing, technology and design services. Snickelways' clientele include Cablevision, Chase Manhattan Mortgage Corporation (NYSE: CMB), Cendant (NYSE: CD), Compaq

http://www.global-serve.com/htm/news.htm

(NYSE: CPQ) Fruit of the Loom (NYSE: FTL), Global Knowledge, iVillage (NASDAQ: IVIL), Rand McNally (OTC BB: RNMC), Tumi Luggage, and World Commerce (OTC BB: WCOL). The company's officers are Paul Cimino, President & Chief Executive Officer; and Michael Meyer, Chief Financial Officer.

Contacts:
Jenny Connorton/Matt Fiorillo
Ogilvy Public Relations
212.880.5351/212.880.5344
jenny.connorton@ogilvypr.com
matthew.fiorillo@ogilvypr.com

http://www.global-serve.com/htm/news.htm

EXHIBIT B
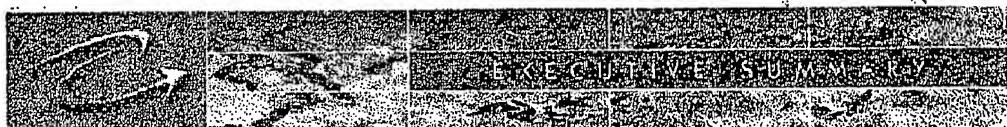
The Problem

If you've ever had to deal with the headaches of global PC supply agreements, you may have also considered a career change. Traditionally, buying and tracking international IT orders has been, at best, a fragmented, tension intensive business. And "best" has seldom been a word associated with this activity.

Now, purchasing, delivering, and servicing equipment from leading PC vendors has never been easier or more cost effective.

The GlobalServe Solution

Founded in 1998, and based in New York and London, GlobalServe Computer Services, Ltd., uses the power of the Internet to automate the entire supply chain process in 90 countries around the world. It's no wonder that GlobalServe is fast becoming the procurement portal of choice for some of the largest corporations in the world.

For international manufacturers such as IBM, Compaq, Toshiba, and Hewlett-Packard GlobalServe provides an unprecedented global delivery system for reaching local buyers.

Online Customer Resources

Several breakthrough products meet the needs of several major players in the global IT supply game:
1) Customer, and 2) Original Equipment Manufacturers.

NetProvisioning.com ...

... is an online application used by procurement specialists, anywhere in the world, to

RemoteServiceDesk.com ...

...is our 24 hour world-wide support system using sophisticated software to remotely manage customer networks. We can conduct remote diagnostic sessions that speed up problem resolution. ServiceDesk databases connect our customers to thousands of qualified in-country professionals when onsite assistance is required.

Exclusive features

Single point-of-contact
Employees freed for reassignment
Substantial reduction in procurement costs
Communication of global equipment standards amplified

Conclusion

In a very real sense, GlobalServe has arrived just in time; as new and established multi-country companies search for ways to simplify complex procurement activities and standardize installations, while reducing the costs and time spent on supply chain management.

If you spend at least $5 million a year on desktop and server technology, and you have offices in four or more countries, we can give you a global IT strategy that speeds procurement and saves money.

GlobalServe Computer Services, Ltd.
70 West Red Oak Lane
Fourth Floor
White Plains, NY 10604-3602
United States

Tel: (914) 697-7522
Fax: (914) 697-7525

GlobalServe Computer Services, Ltd.
Centurion House, London Road
Staines, Middlesex
TW18 4AX
United Kingdom

Tel: +44 (0) 1784 410375
Fax: +44 (0) 1784 410335

Website: www.Global-Serve.com
E-mail: jonathanedwards@global-serve.com

EXHIBIT C

Net Provisioning

Username

Guest

Password

Guest

LOGON

Please enter your Username and Password
then click on Logon button

GLOBALSERVE
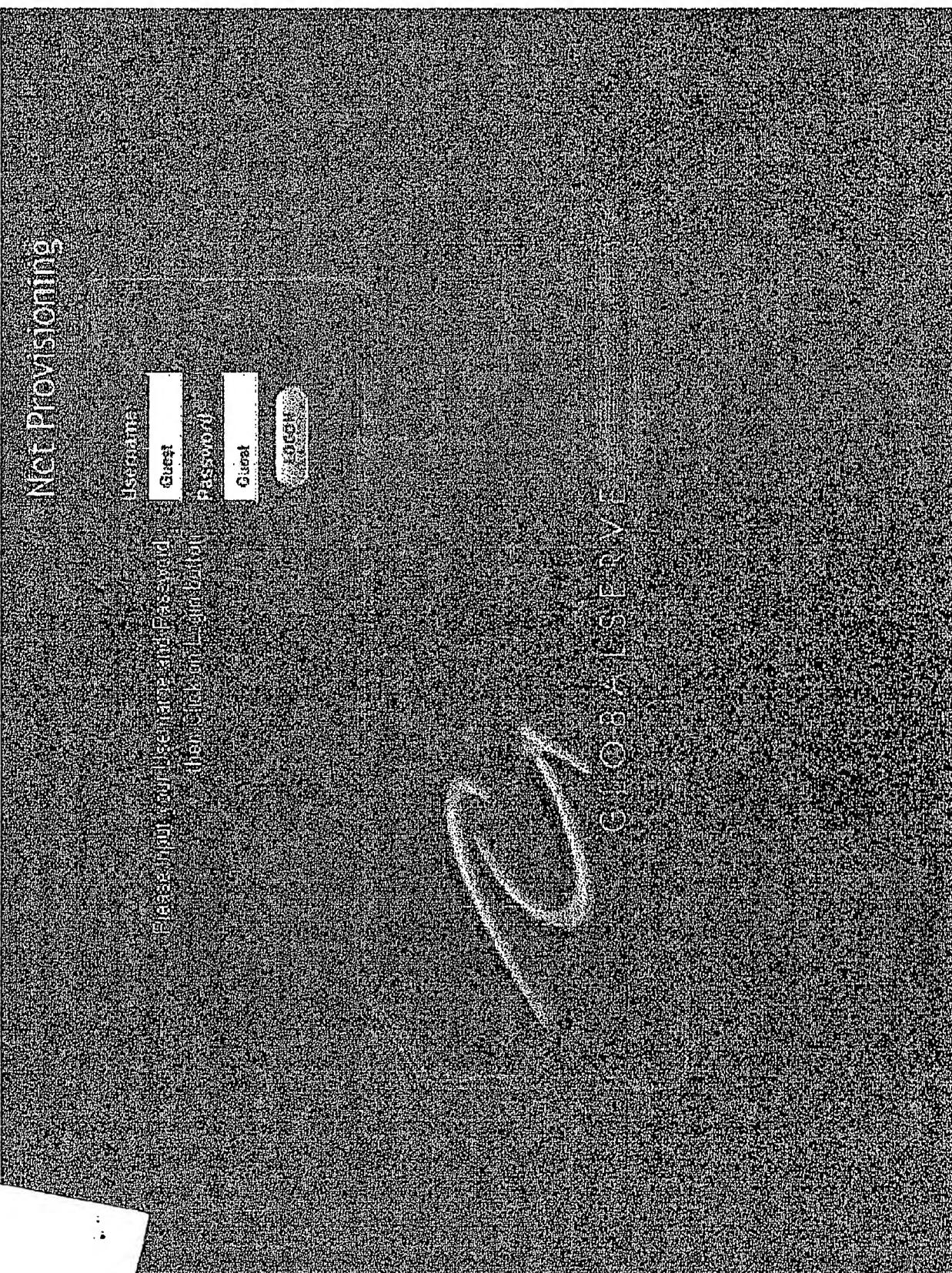
Just click the LOGON button for samples of the most secure and advanced
IT supply-chain management system on the Internet

Net Provisioning

GLOBALSERVE

ORDER | ORDER TRACKING | REPORTING | CONTACT US | LOGOFF

ORDER

Use this page to create your order. Enter quantities and choose Country, Currency and Delivery Address of the order you are placing*. You may view the Item Details for a standard Configuration by clicking on its Item name. Use the full item list to add additional items to this page.

User: jhv

Company: DemoCustomer

Ship Country: United Kingdom

Trade Currency: Euros

Delivery Address: Birstall

FULL ITEMS LIST   ADD TO BASKET   GO TO BASKET

Available=
Constrained=
Severely Constrained=
Remove item=(X)

Item	Part #	Item Price	Sub-Total	Quantity States
Entry Level Office Desktop		1,697.99	0.00	
Sales Executive Laptop		3,151.96	0.00	
Trading Floor Workstation		2,476.40	0.00	
Work Group Server		7,412.06	0.00	

Sub-Total for Current Address: 0.00

* Items placed under different country and currency combinations will appear on different orders.

Here's where GlobalServe customers start their orders. Item and Price fields are pre-established to corporate standards, along with a set Spending Limit. Clicking on ADD TO BASKET gives users a chance to increase (or change) an order.

GLOBAL SERVE

Net Provisioning

ORDER | ORDER TRACKING | REPORTING | CONTACT US | LOGOUT

BASKET

Your basket currently contains the items below. You may change the Quantity for each item. Changing a Quantity to 0 (zero) will remove the item from the Basket. Be sure to select an Invoice Address for each Delivery Address.

User: jhv

Company: DemoCustomer

SAVE BASKET | PRINT BASKET | CONTINUE ORDERING | PLACE ORDER

588,590.50

ADD COMMENT

Delivery Address: Bristol
Invoice Address: HP (UK) Bracknell | Destination PO:

Item	Part #	Item Price	Sub Total	Quantity
Entry Level Office Desktop		1,665.35		50
Sales Executive Laptop		3,128.50		20
Trading Floor Workstation		2,457.90		60
Work Group Server		7,366.89		40

Sub Total for Current Address: 588,590.50

Available=
Constrained=
Severely Constrained=

Here's the total for ORDER 1, along with spaces to enter a PO number and additional comments. (Item availability is indicated by color buttons along the right hand margin.)

Net Provisioning

GLOBALSERVE

ORDER | ORDER TRACKING | REPORTING | CONTACT US | LOGOFF

ORDER

Use this page to create your order. Enter quantities and choose Country, Currency and Delivery Address of the order you are placing*. You may view the Item Details for a standard Configuration by clicking on its Item name. Use the full item list to add additional items to this page.

User: jhv   Company: DemoCustomer

Order Country   Order Currency   Delivery Address

United Kingdom   Euros   Birstall

FULL ITEMS LIST   ADD TO BASKET   GO TO BASKET

Item	Item Price	Sub Total	Quantity Status
Entry Level Office Desktop	1,697.99	84699.50	50
Sales Executive Laptop	3,151.96	63039.20	20
Trading Floor Workstation	2,476.40	148584.0	60
Work Group Server	7,412.06	296482.4	40

Available=
Constrained=
Severely Constrained=
Remove Item=(X)

Sub Total for Current Address: 593,005.10

Sub-totals appear along with the Order Country, Delivery Address, and Amount Left to Spend. All currency conversions are handled automatically. Clicking GO TO BASKET lets customers check order status before confirming.

Net Provisioning

GLOBALSERVE

ORDER | ORDER TRACKING | REPORTING | CONTACT US | LOGIN
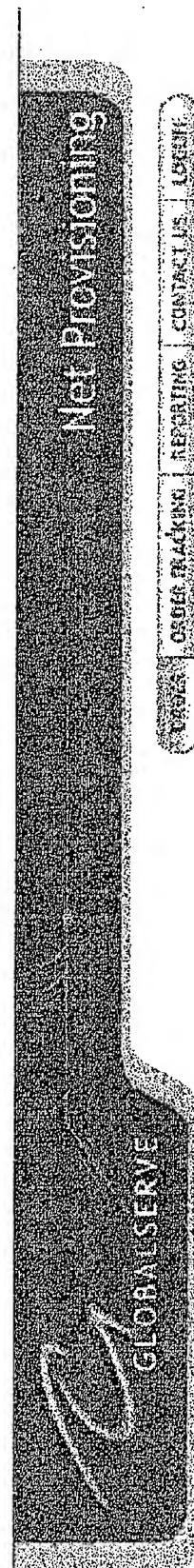
FULL ITEM LIST

Use this page to search for additional items to add to your order. Click on a Category or Manufacturer, or fill in the search criteria to search for a specific item.

User: jhv   Company: DemoCustomer

Manufacturer

Compaq

Category

Desktop
Laptop
Memory
Monitor
Server
Storage

Search

RETURN TO ORDER

Search for specific products by entering the product name or part number, category or manufacturer below.
Click "Go" to Search

Enter Product Name or Part #:

○ Product Name
○ Part #

Category: All Categories

Manufacturer: All Manufacturers

GO

Here, customers can search for additional items by Category, Manufacturer, or Product. Items can also be removed before clicking on RETURN TO ORDER

Net Provisioning

GLOBAL SERVE

ORDER | ORDER TRACKING | REPRICING | CONTACT US | LOGOFF

ORDER REVIEW
Your Order currently contains the items below. Please check them carefully before you confirming. If you wish, you may return to the Basket to make changes or continue ordering.

User: jhv   Company: DemoCustomer

RETURN TO BASKET   CONFIRM ORDER

Available=
Constrained=
Severely Constrained=

Delivery Address: Bristol
Invoice Address: HQ HK) EnvXref   Destination PO:

Item	Item Price	Sub Total	Quantity
Entry Level Office Desktop	1,685.35	84,267.36	50
Sales Executive Laptop	3,128.50	62,570.02	20
Trading Floor Workstation	2,457.96	147,477.89	60
Work Group Server	7,356.88	294,275.23	40

Sub Total for Current Address: 588,590.50

A final summary, with a RETURN TO BASKET option for changes, precedes CONFIRM ORDER.

Net Provisioning

GLOBALSERVE

ORDER | ORDER TRACKING | REPORTING | CONTACT US | LOGOFF
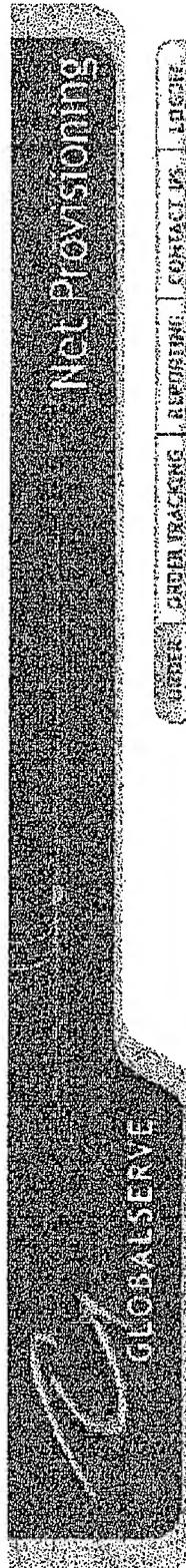
ORDER CONFIRMED
Your order has been submitted and confirmed as summarized below. You may continue with another ordering session, or 'logoff' of the NetProvisioning application using the button above.

User: jhv   Company: DemoCustomer   Session Tracking No:1009

Your order has been confirmed.
Your Session tracking number is 1009
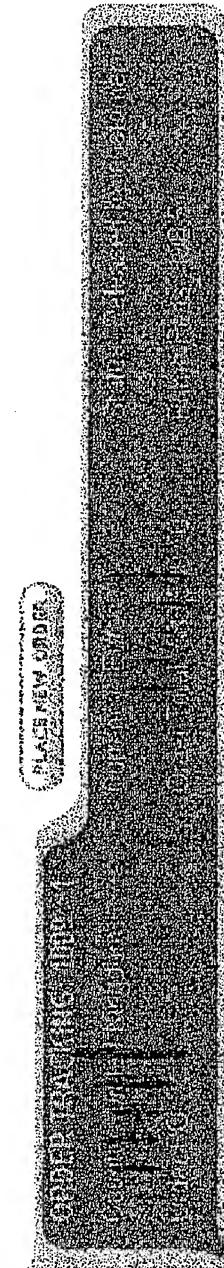
PLACE NEW ORDER

Available = ☺
Constrained = ☺
Severely Constrained = ☺

Delivery Address: (N/A)
Invoice Address: HP (N/A Threshold) Destination PO:

Item	Part #	Item Price	Sub Total	Quantity
Entry Level Office Desktop		1,685.35	84,267.36	50
Sales Executive Laptop		3,128.50	62,570.02	20
Trading Floor Workstation		2,457.96	147,477.89	60
Work Group Server		7,356.88	294,275.23	40

Sub Total for Current Address: 588,590.50

An all important Session Tracking Number is assigned. The next screens will show you examples of Order Tracking, and Report Generation.

Net Provisioning

ORDER | ORDER TRACKING | REPORTING | CONTACT US | LOGOFF

RETURN TO ORDER

GLOBALSERVE

ORDER TRACKING

Click on a category below to track an order. Enter criteria within the search dialog to fine-tune your search.

User: jhv   Company: DemoCustomer

Baskets
Saved Baskets

Orders
New
In Progress
Fulfilled

Search Orders
Search for specific orders by entering the tracking number(s), the PO(s), the order country, the delivery address and date range.
Click on "Go" to Search

Search by Tracking #
Session   Order   Destination

GO

Order PO

Destination PO

Order Status   ALL

Country   All COUNTRIES

Delivery Address   All ADDRESSES

Date Range   1   10   1999
to   3   4   2000

GO

We know how important it is to give our customers powerful, and flexible, order tracking tools.

Net Provisions

GLOBALSERVE

ORDER | ORDER TRACKING | REPORTING | CONTACT US | LOGOFF

REPORTING - Menu

Select a report to run, a currency, a date range and click 'Go' to run you report.

User: jhv

Company: DemoCustomer

RETURN TO ORDER

Select a Report to Run:

Amount Spent by Delivery Address   All Addresses

Amount Spent by Country   All Countries

Amount Spent by Country (Sorted by Manufacturer)   All Countries

Total Amount Spent

Amount Spent by Manufacturer

Select a Currency: Australian

Edit Date Range: From   1   10   1999

To   3   4   2000

Go

This same ease-of-use power and flexibility is found, also, on our Report Generating choices.

Net Provisioning

GLOBALSERVE

ORDER | ORDER TRACKING | REPORTING | CONTACT US | LOGOUT

CONTACT INFORMATION

GlobalServe Contact Information

BACK

Americas
GlobalServe Computer Services Ltd.
945 Concord Street
Framingham, MA 01701
ph: (508) 620-4754
fx: (508) 370-0973

International Service Desks
United Kingdom
GlobalServe Computer Services Ltd.
Centurion House
London Rd.
Stains Middlesex
TW18 4AX UK
ph: 44 1784 410 375
fx: 44 1784 410 335

EXHIBIT D

G L O B A L S E R V E

GlobalServe Business Plan
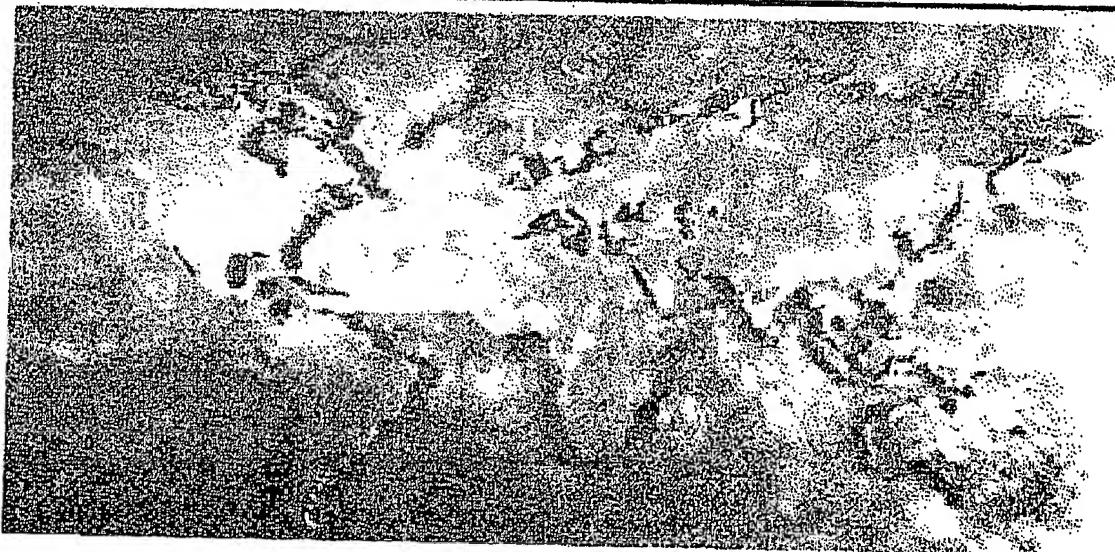
Confidential

Global Serve Computer Services, Ltd.
Global-Serve.com
70 West Red Oak Lane
Fourth Floor
White Plains, NY 10604-3602
USA

914-697-7522
914-697-7525 facsimile
www.global-serve.com
jonathan.edwards@global-serve.com

Page 1

Global Serve Business Plan
Table of Contents

Executive Summary

GlobalServe Computer Services, Ltd. is an Internet based, Business-to-Business services and supply chain management company that solves a major problem for the Global Fortune 1000 Companies:

> *Quickly and cleanly,* through access to the web from anywhere in the world, a buyer of the leading manufacturers' computers can secure equipment and related services under prices pre-negotiated at the corporate global procurement level, *and* obtain fulfillment for computer services and support through remote access or local fulfillment.

By creating the technology and supporting services to allow this, GlobalServe Computer Services, Ltd. (www.global-serve.com) is becoming the single portal for global procurement of information technology, support and maintenance for the largest corporations in the world.

Global Serve offers the solution in its three products, each of which bring benefit to the three main players (OEM, Reseller and Customer) in the supply chain:

1.   Netprovisioning.com is an on-line procurement application that allows a procurement specialist the ability to buy PCs and other computer equipment based on ▓▓▓▓▓▓▓▓▓▓▓▓▓ at pre-negotiated global pricing schemas in a matter of a few minutes. The Company charges a transaction fee (also referred to as an "Order Management Fee") for every order that is managed by GlobalServe, based on a per-order per-country matrix. Prices range from $20 to $550 per order that is transacted through the system, and is geared to equate to ½ of 1% of dollar volume procured through the system.

2.   RemoteServiceDesk.com is a service, support and help desk facility that leverages proprietary and sophisticated methodologies and products in order to remotely manage customers' networks and PC products. Newly developed technologies allow for remote problem diagnosis and rapidly begin the cycle of problem resolution. Due to their integrated and mission critical employment, RemoteServiceDesk contracts have the potential to run for several years, and they are paid quarterly by the customer against contract terms. The fees charged are generally fixed in advance, and are determined by variables such as the number of personal computers or users supported and types of services required.

3.   Professional Services – GlobalServe maintains a small but elite staff of in-house professional services staff to support Netprovisioning.com and RemoteServiceDesk.com. This staff can also be utilized for project management, system integration and other related support services. Fees are paid time and materials or by project.

▓▓ promise of global ▓▓▓▓▓▓▓▓ of scale, and allows companies to both think and execute under a global strategy. At the same time its technology solution allows superior supply chain management without the huge investment in plant, property and equipment that has been spent by companies such as IBM and others ▓▓▓ to solve this same problem.

The value proposition goes further with RemoteServiceDesk.com and the Professional Services Organization. GlobalServe allows its customer to take the same win presented by Netprovisioning.com a step further, and apply the same process to secure and fulfill hardware and software maintenance and support, including trouble shooting and remote systems management.

Executive Overview - Current Operations

In its first full year of operations, GlobalServe accomplished some key objectives:

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- Revenues of over $4 million, and net income of $312,000;
- A profitable monthly run rate (although Cash Flow still trails profitability);
- Accreditation Agreements as an International Business Partner in place with leading OEMs IBM, Compaq, Toshiba and Hewlett Packard;
- Fulfillment Services Agreements (FSAs) with 15 service agents, and service relationships in place to provide fulfillment service in over 90 countries world-wide.   The goal is to have FSAs completed with 70 service agents by year-end 2000.
- Contracted with fee paying members of the Global Serve reseller network ("Network Members") in each of the top 20 international markets for IT products and services.
- A customer base that includes such blue chip companies as Worldspan and FedEx.
- Over 25 employees in the U.S. and the U.K.

Executive Overview - Management

Led by Jonathan Edwards, a top-flight executive with a successful entrepreneurial history that includes over 20 years experience in the business, the Company was founded as an alliance of four major players in the computer services industry:

1. **CompuCom Systems, Inc.** (Nasdaq: CMPC): Since 1987 CompuCom has provided procurement and technology services for the Fortune 1000. Revenue in 1999 was expected to top $3 billion.
2. **Compel**: Traded on the LSE since 1994 and experiencing an annual revenue growth rate of over 40%, Compel is one of the UK's leading IT service organizations, and currently employs over 1,300 people.
3. **Compugen**: Cited as one of Canada's "50 Best Managed Private Companies" a prestigious award that is sponsored by Arthur Andersen, The Financial Post, CIBC and Canadian Airlines. Compugen is a Canadian-based company with a long history of providing products and services within a technology lifecycle management framework.
4. **Infopoint**: Servicing many of the largest companies doing business in France today including The French Defense Ministry, France Telecom and Societe Generale, Infopoint is among the leading IT service organizations in that country and ranks as the 3rd largest reseller in-country.

Executive Overview - The Market

The market opportunity for GlobalServe's range of services today is immense, and continues to grow as the technology revolution spreads on an international basis. International Data Corp. (IDC) has predicted that the global personal computer market would continue to grow at a rate of 13 percent and reach unit volume of 90.6 million units sold, translated to over a $100 billion market if a $1,000 per unit average is used.

The number of customers today purchasing technology and services on a global basis, counted roughly as the Fortune 1000 global companies, is still a fraction of the total potential market for GlobalServe. And yet, this market already represents in excess of $18 billion on an annualized basis (conservative estimate based on a known 250 global procurement contracts with leading in-direct PC vendors). When including U.S. domestic purchases, this number swells to over $40 billion in annual computer and related services expenditure by this Global 1,000.

In addition to product procurement, the support services market for the over 20 million PC's and network servers (based on the minimum $18 billion in the multinational in-direct channel sales), is immense. Companies generally spend between $200 and $1500 per device for annual maintenance translating to a support and services market that exceeds $150 billion annually.

Two significant trends in the market stand out:

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1.   Companies are putting increased focus on international co-ordination of technology procurement and management. Established global corporations are looking to:
    - increase the ease of doing business in this complicated matrix of countries with differing ~~business rules that affect their~~
    - gain ~~consistency in processes and systems~~ throughout their companies;
    - improve service and reduce time spent on the procurement process;
    - reduce the cost of coordination and management;
    - reduce the cost of procurement; and
    - exploit supply chain efficiencies, thereby reducing their total cost of ownership.

2.   There is a tremendous growth in the emergence of a new generation of multinational companies, who for the first time need to coordinate their international activities. The accelerated growth of e-commerce and the Internet has created both an opportunity and a market that is fraught with difficulties, especially when considering how quickly emerging companies must act in executing their strategies. Emerging growth companies are looking to:
    - quickly establish operations in a multitude of countries;
    - seek assistance in getting operational quickly while troubleshooting the local hurdles;
    - develop in-country alliances that will assist them in gaining a foothold in that country.

Traditional distribution and management channels (VARs), while very effective in navigating the particulars of any specific market, do not solve the problem of fragmentation in the market, and subsequently delays in the purchasing process through the fulfillment process are imminent.

By sitting "above-country" and managing the relationship with a multitude of VARs in any given country, GlobalServe alleviates the burden of sourcing, selection and management of products and services from the customer, and does so with an easy to use Web application at relatively little cost to the customer.

The right solution for meeting the needs of this market is the GlobalServe web-based system. And in the process of solving a problem for the customer, GlobalServe also positions itself as the leading gateway solutions provider to in-country knowledge.

Executive Overview - Marketing

GlobalServe is focused on gaining customers quickly and integrating into those customers' processes and systems into the GlobalServe network just as quickly.

The main strategies and tactics for acquiring customers are:

1.   Employ a combination of direct marketing tactics such as Tools Marketing, Direct E-Mail, ListServe Community Marketing and Direct Sales to raise industry specific awareness and generate sales.

2.   Exploit existing relationships with the OEMs such as IBM, Compaq, Hewlett Packard and Toshiba, and develop new relationships with other OEMs.

3.   Focus on the web-centric approach of the Company as its differentiating factor in the market place. Follow up with its ability to deliver fulfillment of both products and services through a selection of aggregated providers, under one umbrella, uniquely distinguished from any competition.

4.   Develop the GlobalServe brand, and increase the overall market awareness of the valuable services the Company has to offer.

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5.   Integrate the GlobalServe technology platform and work flow processes with the customers, OEMs and Network Members systems and processes.

6.   Continually dedicate resources to the development of GlobalServe's products and services (existing and new) to bridge the gap between the market requirements and our sales and technology teams, ensuring that our competitive advantage is maintained and that we capitalize on any new opportunities.

7.   Allow open access through technology and other methods for on-going communications to the GlobalServe Partner Network, ensuring they are kept informed of developments and have effective access to GlobalServe's solutions of web based systems.

Executive Overview – Technology

GlobalServe uses current and maximized Compaq Server platforms in a fault-tolerant configuration, connected by Cisco Internetworking hardware (also configured in a redundant design). GlobalServe production facilities are serviced by two independent carriers (SprintCore and Cable and Wireless) to promote alternate paths for all customers. This configuration reduces risk, network traffic congestion, and keeps bandwidth charges on each line to a minimum (which can actually be cheaper over the long term).

GlobalServe utilizes Microsoft NT 4.0 Servers and SQL Server software as the primary OS and database configuration for all service offerings. Microsoft Exchange provides internal mail service and also provides email notification services (for SLA notifications and escalations, as well as for Network Management alerts). Microsoft-based Web Servers provide Internet access to all GlobalServe services. An expertly configured UNICENTER TNG Enterprise Network and Systems Management Framework continuously monitor all systems and services, with all detected alerts automatically driven into a similarly configured Advanced Help Desk System. Properly integrated element managers, such as Ciscoworks, IBM Netfinity Manager, Compaq Insight Manager all contribute expert agent and configuration capability to the open standards-based Computer Associates framework.

GlobalServe utilizes Compaq servers with RAID configurations. Computer Associates products provide the Network and Systems Management framework into which many other products are integrated. Additionally, the industry-leading ARCserve backup system (also from Computer Associates) is used to backup all production systems. GlobalServe extensively utilizes OpenFile Agent technology to enable systems to be backed up without having to limit access to users and customers.

GlobalServe itself uses the products it has built for its customers. The Company's technology staff has an average of 15 years of field and service operations experience, and have designed and installed over 20 Network Operations Centers for some of the largest service organizations in the world. The division has also been recognized as innovative and capable developers for some of the largest technology companies in the Network and Systems Management field. In terms of Global Provisioning, our business division has coordinated large global deals for over 15 years.

Executive Overview - Competition

There is not one Company that is approaching the market with the comprehensive web-based approach that is GlobalServe. Instead, there are a number of companies, some extremely large and in some cases extremely powerful, which can be classified into three groups:

1.   The International Value Added Reseller. There are a few companies that label themselves as International VARs, although their reach is somewhat limited in comparison to GlobalServe's current and future network. The experience of these companies is patchy. None of them have

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adopted any form of strategic direction to resolve their issues, and expansion is very tricky and capital intense. Little consistency and a lack of structured service delivery is prevalent, and the reluctance to turn to business partners for certain geographic fulfillment is an example of the old world "walled garden" approach that worked so well even 10 years ago but is becoming obsolete with web-centric technologies.

2.   Large US Manufacturers. There is a trend to attempt to serve international clients direct by certain large domestic manufacturers that do not have the legacy distribution networks and VAR relationships. There are several problems with this direct model when viewed from an international perspective:

    a.   There are different "in-country" laws, tariffs, taxes and fulfillment issues and logistics that prohibit a "one size fits all" approach – exactly why the OEMs have utilized VAR relationships for so many years.

    b.   Trying to work around the VARS to maintain relationships with the end customer, OEMs lose the specific in-country knowledge that is so vital to success.

    c.   Rarely can an OEM organization deliver or rarely do they want to deliver both tailored product and services at all times, as their focus tends to be strictly based on margin and market trend.

3.   International outsourcing companies. These companies can expedite outsourcing needs for an entire organization, but tend to have an inward look at execution of the business, with a strategy that focuses on keeping knowledge within its walls and out of the hands of the customer.

None of the above mentioned types of competitors are directly comparable to GlobalServe. To date no direct competitor has been identified in the space we will lead and in many respects are leading. The above represents the type of organizations from which we will win customers, from GlobalServe historical direct competitors (ICG, TGA and ACSL) through to the worlds IT powerhouses (EDS, Dell, IBM and Compaq). Nearly all of our competitors also represent partnering opportunities which is the reality in the Global Market place for IT and IT services. Our Internet based approach makes us very attractive to all concerned, as that company can inter-connect and enhance their own service execution capabilities.

Executive Overview - Barriers to Entry

GlobalServe intends to continue its market leading position in the delivery of aggregated web-based global computer and computer services procurement and supply chain management by employing and exploiting these barriers to competitive entry:

1.   GlobalServe's partnerships with its investors have created exclusive relationships with those providers and exclude competitive service relationships with those firms by any newcomer to the market.

2.   GlobalServe has developed sophisticated and proprietary technology that is open ended with easy API connectivity to existing systems of Customers, Network Members, and OEMs. Its highly talented Professional Services Organization also fulfills its own internal needs in fulfilling system integration between GlobalServe and its customers. The principal goal of the coming year is to integrate seamlessly into the proprietary systems of these partners and customers, thereby integrating in every component of procurement through payment – and in doing so becoming a natural extension of that organization and indisplaceable by any competitor.

3.   GlobalServe has over 15 Fulfillment Services Agreements with Network Members in place today. The goal is to have over 70 in place by end of year, 2000. Many of these relationships came through introductions by its strategic partners and investors, jumpstarting the process and gaining an entry where none would be found as a start-up without those connections. Now GlobalServe can leverage those existing contracts to cover more ground faster.

These barriers to entry translate into greater presence, farther reach, and deeper penetration ~ faster, better - with the end result true market domination.

Executive Overview - Current Status

, The Company has succeeded in proving its concept, and now intends to move aggressively to fulfill its potential as the dominant Internet-based supply chain management and services company for the computer services industry.   GlobalServe is seeking $10 million in equity capital to do so, and believes with additional financing in 2001 it can grow its existing business to a $200 million business (or more) in the next five years.

The investment is needed for the following:

- To build out the electronic infrastructure being put in place today with integrated links into the largest OEMs in the world as well as into the customers and fulfillment houses that service them across the globe. In doing so, the Company will erect significant barriers to competitive entry;
- Hire additional Information Technology resources to support that effort;
- Hire additional management, sales and marketing staff;
- Implement pinpointed tactical marketing plans to secure a broader customer base.

Five Year Executive Summary Financial Forecast

	2000	2001	2002	2003	2004
BALANCE SHEET					
Total Current Assets	4,370,802	13,167,020	20,773,117	40,680,546	92,597,086
Net Property Plant and Equipment	2,609,408	3,403,692	3,608,674	3,488,628	3,064,343
TOTAL ASSETS	7,044,210	16,618,713	24,410,791	44,185,173	95,661,429
LIABILITIES					
Total Current Liabilities	1,252,602	2,443,805	3,992,722	6,641,491	14,321,260
Total Taxes Payable	0	0	449,231	3,522,252	8,948,973
TOTAL LIABILITIES	1,252,602	2,443,805	4,441,953	10,163,743	23,270,233
EQUITY					
Capital	10,240,000	20,240,000	20,240,000	20,240,000	20,240,000
Retained Earnings	317,000	(4,446,391)	(6,065,192)	(271,163)	13,781,430
Net Profit (loss)	(4,765,391)	(1,616,801)	5,794,029	14,052,593	38,369,766
TOTAL EQUITY	5,791,609	14,174,808	19,968,837	34,021,430	72,391,196
TOTAL LIABILITIES AND EQUITY	7,044,210	16,618,713	24,410,791	44,185,173	95,661,429
INCOME STATEMENT					
Total Revenue All Services	11,421,104	38,392,529	65,313,812	119,093,282	257,080,714
Total Cost of Sales	7,193,717	22,721,808	38,452,160	65,954,792	142,122,531
Gross Profit	4,227,387	13,670,721	26,861,652	53,138,490	114,958,183
Total Selling, General & Administrative	8,992,778	15,287,521	20,618,392	29,717,601	51,008,574
EBIT	(4,765,391)	(1,616,801)	6,243,261	23,420,888	63,949,610
Interest expense	0	0	0	0	0
Allowance for Tax	0	0	449,231	9,368,395	25,579,844
Net Income	(4,765,391)	(1,616,801)	5,794,029	14,052,593	38,369,766

CASH FLOW STATEMENT

Cash Flows from Operating Activities

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Income (loss)	(4,765,391)	(1,616,801)	5,794,029	14,052,683	38,369,766
Net Cash Provided by Operating Activities	(2,824,950)	(1,105,691)	(2,024,865)	(2,502,747)	(11,603,314)
Cash Flow from Investing Activities	(2,360,703)	(1,883,683)	(1,931,355)	(2,291,714)	(2,813,744)
Cash Flow from Financing Activities	10,000,000	10,000,000	0	0	0
Net Increase In Cash:	48,955	5,383,826	1,837,808	9,258,132	24,052,708
Cash at Beginning of Period:	921,000	989,955	6,353,781	8,191,590	17,449,722
End Cash Balance	989,955	6,353,781	8,191,590	17,449,722	41,502,430

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Global Serve Business Plan - Introduction

GlobalServe Computer Services is an Internet based, Business-to-Business services and supply chain management company that solves a major problem for the Global Fortune 1000 Companies:

> *Quickly and cleanly*, through access to the web from anywhere in the world, a buyer of the leading manufacturers' computers can secure equipment and related services under prices pre-negotiated at the corporate global procurement level, *and* obtain fulfillment for computer services and support through remote access or local fulfillment.

By creating the technology and supporting services to allow this, GlobalServe Computer Services, Ltd. (www.global-serve.com) is becoming the single portal for global procurement of information technology, support and maintenance for the largest corporations in the world.

It is hard to believe that 20 years into the desk top computer revolution there is a problem with the procurement process – but there is, and it is the fact that companies are thinking globally, but still have to execute locally.

The distribution channels that Original Equipment Manufacturers (OEMs) have used for so long that are facing challenges in the technology and infrastructure savvy United States are still very much in place today in the rest of the world. Value Added Resellers (VARs) and Distributors continue to serve a valuable role both in distribution and fulfillment as well as in local in-country knowledge management. When considering purchases made by Fortune 1000 companies for destinations that lie outside the U.S., the VARs remain a vital component of the supply chain. The problem with the supply chain is that it is so fragmented, there is an unnecessary cost to doing business. This is true when assessing both tangible procurement costs and perhaps more significant, in intangible costs related to inefficiencies within the market. These inefficiencies lead to loss of time, lack of productivity, frustration, and the slowing of work flows and business processes.

Global Serve offers the solution in its three products, each of which bring benefit to the three main players (OEM, Reseller and Customer) in the supply chain:

1. Netprovisioning.com is an on-line procurement application that allows a procurement specialist the ability to buy PCs and other computer equipment based on corporate dictated specifications at pre-negotiated global pricing schemas in a matter of a few minutes. Buying on line sets off a chain of events that fulfill that order, but each event is executed with clearly defined instruction and outcome, no simple task when considering the complexities that exist in doing business on a truly global scale. The proprietary pricing schema developed by Global Serve is unique and helps greatly simplify an otherwise difficult process.

2. RemoteServiceDesk.com is a help desk facility that leverages proprietary and sophisticated methodologies and products in order to remotely manage customers' networks and PC products. Newly developed technologies allow for remote problem diagnosis and rapidly begin the cycle of problem resolution. In those cases that need human intervention or in-person support, RemoteServiceDesk.com serves as the front end to the back-end network of outsourced, third-party providers that facilitate problem resolution either off-site or in-country on-site.

3. Professional Services – Global Serve maintains a small but elite staff of in-house professional services staff to support Netprovisioning.com and RemoteServiceDesk.com. This staff can also be utilized for project management, system integration and other support services to round out a comprehensive product offering to the Global 1000 that serve as the Company's target customer base.

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On the surface, the Netprovisioning.com solution is simple and elegant. Within its proprietary technology and sophisticated database, GlobalServe begins to fulfill the promise of global economies of scale, and allows companies to both think and execute under a global strategy. At the same time, its technology solution allows superior supply chain management without the huge investment in plant, property and equipment that has been spent by companies such as IBM and others trying to solve this same problem.

The value proposition goes further with RemoteServiceDesk.com and the Professional Services Organization. GlobalServe allows its customer to take the same win presented by Netprovisioning.com a step further, and apply the same process to secure and fulfill hardware and software maintenance and support, including trouble shooting and remote systems management.

It is a solution that was created by players that know this market and its failings best – **CompuCom** (US, Nasdaq: CMPC), **Compel** (UK), **Compugen** (Canada) and **Infopoint** (France) – that invested in the GlobalServe idea and have created the foundation for a solid stand alone enterprise that leverages the Internet and sophisticated proprietary technologies in its powerful products and services.

In its first full year of operations, GlobalServe accomplished some key objectives:

* Revenues of over $4 million;
* A profitable monthly run rate (although Cash Flow still trails profitability);
* Accreditation Agreements in place with leading OEMs IBM, Compaq, Toshiba and Hewlett Packard;
* Fulfillment Services Agreements (FSAs) with 15 service agents, and service relationships in place to provide fulfillment service in over 90 countries world-wide. The goal is to have FSAs completed with 70 service agents by year end 2000.
* Contracted with fee paying members of the Global Serve reseller network ("Network Members") in each of the top 20 international markets for IT products and services.
* A customer base that includes such blue chip companies as Worldspan and FedEx.
* Over 25 employees in the U.S. and the U.K.

Led by Jonathan Edwards, a top-flight executive with a successful entrepreneurial history that includes over 20 years experience in the business, GlobalServe is seeking an investment of $10 million to grow its existing business to a $200+ million business in five years.

The investment is needed for the following:

* To build out the electronic infrastructure being put in place today with integrated links into the largest OEMs in the world as well as into the customers and fulfillment houses that service them across the globe. In doing so, the Company will erect significant barriers to competitive entry;
* Hire additional Information Technology resources to support that effort;
* Hire additional management, sales and marketing staff;
* Implement pinpointed tactical marketing plans to secure a broader customer base.

Brief Background

GlobalServe Computer Services, Ltd. was incorporated under the Laws of England in January, 1997 and subsequently established its wholly owned U.S. subsidiary, Global Serve Computer Services, Inc. in November, 1998. The Company currently maintains corporate headquarters in White Plains, NY, and employs people at that location as well as in offices at Morristown, NJ, Framingham, MA, and London, England.   **Consolidated revenues for the fiscal year ended 12/31/99 totaled $4.1 million with net profit of $312,000.**

The Company was founded as an alliance of four major players in the computer services industry:

1. __CompuCom Systems, Inc.__ (Nasdaq: CMPC): Since 1987 CompuCom has provided procurement and technology services for the Fortune 1000. Revenue in 1999 was expected to top $3 billion.
2. __Compel__: Traded on the LSE since 1994 and experiencing an annual revenue growth rate of over 40%, Compel is one of the UK's leading IT service organizations, and currently employs over 1,300 people.
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4. __Infopoint__: Servicing many of the largest companies doing business in France today including The French Defense Ministry, France Telecom and Societe Generale, Infopoint is among the leading IT service organizations in that country and ranks as the 3rd largest reseller in-country.

The Company has succeeded in proving its concept, and now intends to move aggressively to fulfill its potential as the dominant Internet-based supply chain management and services company for the computer services industry. GlobalServe is seeking $10 million in equity capital to do so.

The Company forecast reflects the following growth:

	2000	2001	2002	2003	2004
Total Revenue All Services	11,421,104	36,392,529	65,313,812	119,093,282	257,080,714
Total Cost of Sales	7,193,717	22,721,808	38,452,160	65,954,792	142,122,531
Gross Profit	4,227,387	13,670,721	26,861,652	53,138,490	114,958,183
Total Selling, Gen & Administrative	8,992,778	15,287,521	20,618,392	29,717,601	51,008,574
EBIT	(4,765,391)	(1,616,801)	6,243,261	23,420,988	63,849,610

GlobalServe has a long-term strategy centered on one of two alternative outcomes:
1. As a stand-alone public entity following an Initial Public Offering; or
2. As a high profile acquisition target for a number of entities that would benefit from its high margin business model, sophisticated technology and far-reaching network of solutions providers.

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Products and Services

The GlobalServe solution is based upon an ease of doing business, anywhere, anytime, accessible 24 hours a day anywhere in the world.   GlobalServe provides secure extranets for internationally diverse customers to obtain specific in-country pricing (based on globally negotiated contracts), place an order, check orders status, search a "how to" knowledge base, open a problem ticket, or request a technology change. Any request can be escalated to a regional International service desk, should a human interface be preferred. This system is able to take a request, provide an instant resolution or automatically escalate accordingly, or dispatch the appropriate resource. There are several components of the overall GlobalServe site that provide functionality based on customer selected services.

Global-Serve.com is the single portal to all GlobalServe products and services, and also houses corporate information made available to the general public.

Netprovisioning.com is the web based procurement and electronic supply chain management system. The service was designed to allow multinational customers to roll out their established global pricing agreements and product standards via a packaged Web based solution. Netprovisioning.com effectively provides a secure extranet for each customer which provides:

* customer-specific pricing;
* unique specification information, detailed to the requirements of the requesting organization;
* on-line ordering capability;
* order status tracking and management;
* management reports; and
* full supply chain management tools.

RemoteServiceDesk.com, is a complete Internet-based Network Management / Help Desk system that intelligently handles both human and computer-generated requests for assistance, leveraging the best of existing technology against years of industry differentiating experience.

NetPso.com is still under development by the Company, but when completed will provide access to in-country technical staff, associated rates, and the ability to book resources online. GlobalServe's Professional Services Organization supplements the on-line services. Project management and Service management on assignment are two examples of this kind of supplemental support. These are fee based and are "above country" assignments. The Professional Services Organization also provides the resource for the catalogue setup of Netprovisioning.com.

Global-Serveonline.com, a web based knowledge management system, is used for workflow across the GlobalServe network. Typically used to support projects or the implementation of service contracts, the use of this product is billed within professional service fees.

How the Products Work Together

GlobalServe represents the ideal combination of a new business model, utilizing the full potential of the Internet combined with the best the traditional approach has to offer. This is accomplished because GlobalServe:

* provides customers a single point of contact via its web based solutions, and in doing so delivers international coordination and above-country supply chain management;
* combines that with the capabilities of the GlobalServe network of fulfillment companies, utilizing leading 'in-country' delivery capabilities of GlobalServe's Network Members - doing so without shouldering the burden of those Companies in-country infrastructure and related costs.

Using its Internet based solution for the acquisition of products and services, GlobalServe is able to accept, deploy and manage the delivery of products and services of multiple customers on multiple levels

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spanning the globe 24 hours a day, 7 days a week. The Company accomplishes this from only three centralized locations – New York, London, and Singapore.

The co-ordination and execution of service delivery, via the combination of state of the art web solutions and above country service desks, provides customers with a true single point of contact and 24 hour coverage in over 90 countries world-wide.

A graphic of the services provided details the use of technology on either front of a center International Services Desk that is managed and administered internally by GlobalServe provides a visual representation of the integrated services offering:

Page 15
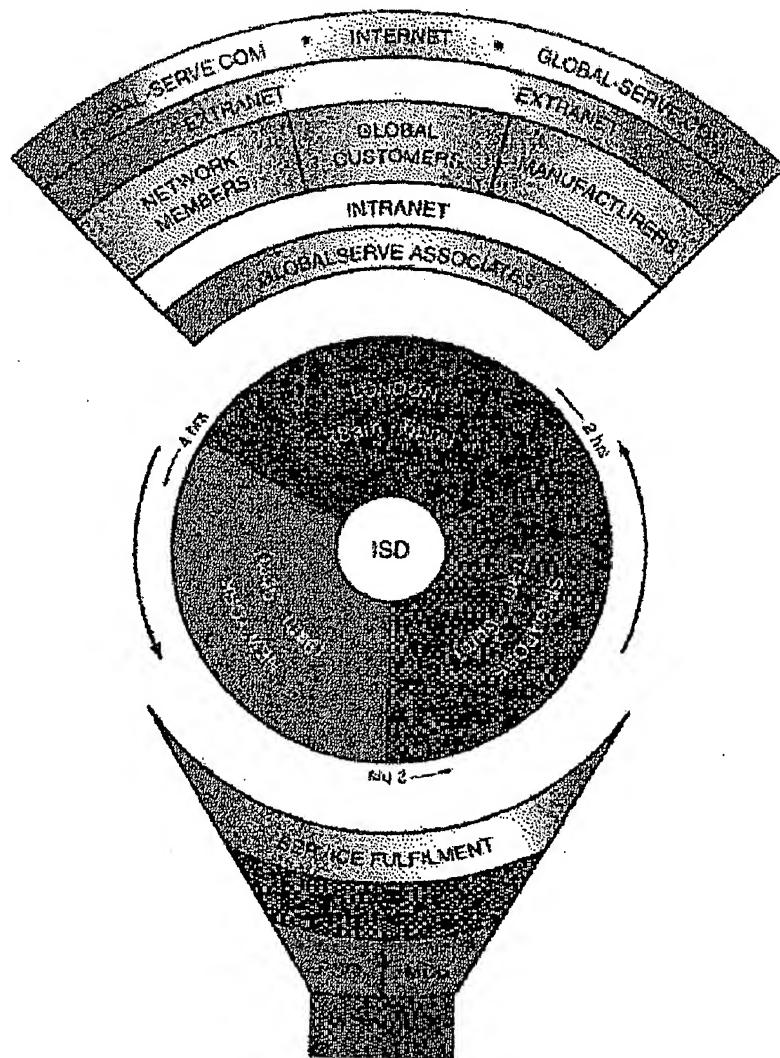
Business Model

GlobalServe has three main revenue streams:

1.   Net Provisioning Transaction Fees

GlobalServe charges a transaction fee (also referred to as an "Order Management Fee") for every order that is managed by GlobalServe, based on a per-order per-country matrix. Prices range from $20 to $550 per order that is transacted through the system, and is geared to equate to ½ of 1% of dollar volume procured through Netprovisioning.com.

2.   RemoteServiceDesk.com

GlobalServe delivers remote systems management and help desk support, which includes the dispatch of local, third party fulfillment service providers for on-site assistance. Through the employ of a single contract with the customer, GlobalServe leverages its own minimal resources with its powerful technologies for "above country", international co-ordination of systems and desktop management. Local sub-contractors are then used "in-country" where coverage is required. Due to the fact that these types of services are integral to an organization's effectiveness, Managed Services contracts have the potential to run for several years. They are paid quarterly by the customer against contract terms. The fees charged are generally fixed in advance, and are determined by variables such as the number of personal computers or users supported and types of services required.

3.   Professional Services

As part of a necessary and comprehensive suite of products offered as an outsource solution to its customer base, Global Serve provides resources to support sophisticated international roll-outs of technology and technology change management. Projects are either fix priced or based on time and materials. While GlobalServe will utilize its own staff if necessary to support its customer, the goal is to sub-contract to local suppliers in each country as necessary for specific work. GlobalServe then charges a mark-up against the cost of the sub-contractor. As an adjunct to Netprovisioning.com, GlobalServe's Professional Services group works with the customer in setting up customer specified variables to ensure all orders will properly reflect agreed to pricing and computer specifications as determined by the customer and the OEM. These associated set-up fees are included as revenue in this category as well.

In addition to these three principal revenue streams, GlobalServe derives revenue from alternate sources that assist it in rounding out its product and service offerings to provide a total services solution to its customer base. While not expected to be consistent and therefore not included in the attached financial forecast, these include:

1.   Manufacturer (OEM) Fees

The Company's key partners - IBM, COMPAQ, TOSHIBA and HP - run international business partner accreditation programs. As an accredited business partner, GlobalServe is paid fees by these OEMs for undertaking key initiatives that promote the OEMs products or services solutions. There also may be bonus revenue tied to meeting sales quotas for international business. IBM, for example, is aggressive with this practice and will make a predetermined payment upon reaching a mutually agreed sales goal.

2.   Network Member Fees

In addition to end user customers and OEMs as customers/partners, the traditional Value Added Reseller (VAR) is both customer and business partner for GlobalServe, and is referred to as a

GlobalServe Network Member.   By providing services "above-country" where most Network Members are strictly "in-country", GlobalServe allows a Network Member to enjoy the privilege of being able to offer an international solution to its customer. As such, they (in some cases) pay a fee to participate in the GlobalServe network. This fee entitles them to co-brand with GlobalServe and to more effectively deliver services to meet their customer requirements. They also have the right to market and sell their international capabilities using the GlobalServe Service Mark and marketing tools. The fee varies by Reseller and depends upon factors such as market size. In time, Global Serve would like to have a commission based arrangement with the Network Member for the new business that the member will generate based on fulfillment contracts facilitated by GlobalServe.

3.   Global Connect Fees

Internal to GlobalServe, the Company refers to its strategy of establishing electronic links between itself and the OEMs, its Network Members, and its Customers as Global Connect.   While the Company burdens the cost of connection to its OEMs, fees are charged to the Network Members for implementation of the connection(s), and in some cases, fees are also charged (through Professional Services) to its Customer base.

The GlobalServe Market

The market opportunity for GlobalServe's range of services today is immense, and continues to grow as the technology revolution spreads on an international basis.

International Data Corp.(IDC) has predicted that the global personal computer market would continue to grow at a rate of 13 percent and reach unit volume of 90.6 million units sold, translated to over a $100 billion market if a $1,000 per unit average is used.

While the US market and Western Europe drive a considerable portion of that growth, the combined Rest-of-World (ROW) geographies, comprised of Canada, Latin America, East Central/Eastern Europe (EECE) and the Mediterranean, and Middle East Africa (MMEA) area, are projected to grow at a rate of 18 percent.

IDC continues to believe the shift toward lower prices and more efficient business models favors the largest vendors, who have broader product lines and geographical scope. This group of vendors continues to gain share on the total market and increasingly looks to take share from each other, particularly in the more lucrative commercial market. As a group Compaq, IBM, H-P and Dell gained more than five percent market share points in the 1997 worldwide PC market.

The number of customers today purchasing technology and services on a global basis, counted roughly as the Fortune 1000 global companies, is still a fraction of the total potential market for GlobalServe. And yet, this market already represents in excess of $18 billion on an annualized basis (conservative estimate based on a known 250 global procurement contracts with leading in-direct PC vendors). When including U.S. domestic purchases, this number swells to over $40 billion in annual computer and related services expenditure by this Global 1,000.

In addition to product procurement, the support services market for the over 20 million PC's and network servers (based on the minimum $18 billion in the multinational in-direct channel sales), is immense. Companies generally spend between $200 and $1500 per device for annual maintenance translating to a support and services market that exceeds $150 billion annually.

It is not just the size of this market, however. The size of the market has been well documented and is not generally in dispute. Everyone can anticipate that the trend is growing, and even if one might argue that the PC as we know it today will not survive, some kind of device will take its place. And that device will still need to be acquired, deployed, supported, redeployed and retired.

Most important, then, is what is happening to this market that needs to be addressed. And when assessing these factors, two significant trends stand out:

1. Companies are putting increased focus on international co-ordination of technology procurement and management. Established global corporations are looking to:
   - increase the ease of doing business in this complicated matrix of countries with differing business rules that apply to each;
   - gain consistency in processes and systems throughout their companies;
   - improve service and reduce time spent on the procurement process;
   - reduce the cost of coordination and management;
   - reduce the cost of procurement; and
   - exploit supply chain efficiencies, thereby reducing their total cost of ownership.

2. There is a tremendous growth in the emergence of a new generation of multinational companies, who for the first time need to coordinate their international activities. The accelerated growth of e-commerce and the Internet has created both an opportunity and a market that is fraught with

difficulties, especially when considering how quickly emerging companies must act in executing their strategies. Emerging growth companies are looking to:

- quickly establish operations in a multitude of countries;
- seek assistance in getting operational quickly while troubleshooting the local hurdles;
- develop in-country alliances that will assist them in gaining a foothold in that country.

When assessing alternatives, the in-country traditional distribution and management channels (VARS), while very effective in navigating the particulars of any specific market, do not solve the problem of fragmentation in the market, and subsequently delays in the purchasing process through the fulfillment process are imminent.

By sitting "above-country" and managing the relationship with a multitude of VARs in any given country, GlobalServe alleviates the burden of sourcing, selection and management of products and services from the customer, and does so with an easy to use Web application at relatively little cost to the customer.

The right solution for meeting the needs of this market is the GlobalServe web-based system. And in the process of solving a problem for the customer, GlobalServe also positions itself as the leading gateway solutions provider to in-country knowledge.

End-User, or Purchasing Customers

GlobalServe has built an impressive customer list since its first sale in October, 1998.   Contributing to revenues that surpassed $4 million in 1999 are such customers as WorldSpan and FedEx.   The Company's customer profile includes any multinational company that must satisfy operational requirements in a given country, which is especially true when considering RemoteServiceDesk.com. For Netprovisioning.com, its customer base is generally limited to those companies that are big enough to carry the clout of a globally negotiated purchasing contract with one or more OEMs.   Competition between the OEMs has forced the bar lower when considering gross purchase dollars justifying a global contract, and Global Serve expects the contract base of 250 of the Global 1,000 to swell to 400 by year end.   And, as previously noted, the scale of purchasing effected by these companies more than adequately justifies the market.

OEMs as Customers

GlobalServe is not dependent on the OEMs as customers but does benefit by establishing key relationships with these OEMs. By effectively delivering its promise of service, GlobalServe becomes an important ally of the OEM in managing the needs and expectations of the end-customer, which so often is obscured through reselling channels. Relationships have been established with IBM, Compaq, Toshiba and Hewlett Packard in the Company's short life span, and GlobalServe expects to continue to build relationships with other OEMs, including network service and equipment providers such as Cisco Systems.

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VARs as Customers and Network Members

GlobalServe is able to leverage the existing, expensive-to-build infrastructure already created by in-country VARs to its benefit by developing relationships with these VARs for in-country fulfillment and services. Without GlobalServe, VARS run the risk of being squeezed between OEM and Customer. By protecting the margin of the VAR at the expense of the willing OEM, Global Serve has an ally that is capable of delivering in-country services while sharing the related revenue with GlobalServe. By bringing its international reach to bear on behalf of the VAR, GlobalServe allows the VAR additional sales opportunities, and often introduces the VAR to sales opportunities that would have remained off-limits but for the introduction facilitated by GlobalServe. By having working relationships with several VARs, Global Serve is able to sell and deliver services without any of the in-country risk that is assumed by the VAR.

Since its inception, the Company has structured Fulfillment Service Agreements with 15 Network Members and has working relationships agreements in place to cover fulfillment in 90 countries. Contracted Network Members maintain a non-exclusive Marketing Rights contract with the Company, giving them the ability to market themselves as a GlobalServe partner, with the reach of the GlobalServe network as part of their service offering.

Current Investors and Impact on GlobalServe Operations

Current Investors CompuCom, Compel, Compugen and Infopoint maintain certain agreements with the Company that give GlobalServe an undisputed competitive advantage against any potential competition, *and* provide added penetration to the market place. These agreements provide for an Exclusive Marketing Rights contract for certain geographic markets, and also provide a first refusal to any services contract in fulfillment within certain geographic markets. A matrix specifying the extent of these arrangements can be provided upon request. The net impact to the company is all upside – guaranteed partnerships and service arrangements with outstanding quality, and pull within the organization to ensure it stays that way.

Marketing Strategies

GlobalServe believes that the market opportunity today is in solving the challenges faced by both the OEM and the global customer without alienating traditional, established distribution and reseller channels. That is the reason that GlobalServe is so heavily focused on the international aspect of its business today.

That said, there is every reason the GlobalServe solution to be employed domestically, and GlobalServe intends to capitalize on this opportunity through its existing and developing customer base abroad. Using its open technology and supply chain management system to provide the buyer one solution, under one umbrella, for all products and services worldwide, with no distinction between domestic and international, GlobalServe can fulfill its promise on every level within its customer organization.   GlobalServe intends to be the single portal for global procurement on Information technology.

Domestically today, the VAR channels for distribution that were so powerful even five years ago are quickly becoming obsolete, and the ability for corporations to buy direct from their global contacts to ensure effective implementation of their global contracts is easier with each passing day.   But there still remains disparate systems, lack of local knowledge, coordination of support services and problem resolution that can be solved by the use of the GlobalServe technologies and systems.   Integration with customer systems, and a reliance and need on knowing critical time lines and stress areas within an organization lend itself to the GlobalServe solution.

Management believes that International deployment will be the proving ground and is the most accessible area with the most glaring need for problem resolution. Ultimately, success abroad will drive demand, acceptance and use within the domestic market.

Strategies and Tactics for Customer Acquisition and Retention

GlobalServe is focused on gaining customers quickly and integrating into those customers' processes and systems into the GlobalServe network just as quickly.

The main strategies and tactics for acquiring customers are:

1. Employ a combination of direct marketing tactics and industry specific awareness to target the following resources within each target market group:
    - Direct Corporate Customer:
        - Global Procurement
        - IT Management
        - Local Procurement
    - Network Members:
        - Principles (Strategic Relationship)
        - Sales
        - Operations
    - OEM:
        - International Groups
        - Account Management/Sales
        - Supply Chain Management Resources

    Tactics:
    - Tools Marketing (Direct Education, OEM & Network Members)
    - Direct e-Mail
    - ListServe Community Marketing
    - Direct Sales
    - Trade Show Participation and Hosting

2. Exploit relationships with the OEMs.
    Tactics:
    - Maintain or solicit accreditation status when possible.
    - Be pro-active in the marketing of GlobalServe's solution within the PC manufacturer community.
    - Utilize the OEM relationship for introduction to the global customer.

3. Focus on the web-centric approach of the Company as its differentiating factor in the market place. Follow up with its ability to deliver fulfillment of both products and services through a selection of aggregated providers, under one umbrella, uniquely distinguished from any competition.
    Tactics:
    - Train Direct Sales force to execute and evangelize this differentiating competitive advantage.
    - Develop Marketing Collateral to support this Strategy.
    - Brand accordingly.

4. Develop the GlobalServe brand, and increase the overall market awareness of the valuable services the Company has to offer.
    Tactics:
    - Use a focused and very aggressive Public Relations program aimed at the Customer Targets and secondarily, the Network Members.

The main GlobalServe site will be used as a primary point of focus and support for all marketing tactics. Direct marketing programs will be geared to driving traffic to the site, which will offer:

- Interactive product Information
- Live Product Demonstration
- On-line proposal generation that includes pricing
- Company Information
- News
- Pressroom.

The main strategies and tactics for retaining customers are:

1. Integrate the GlobalServe technology platform and work flow processes with the customers, OEMs and Network Members systems and processes.
    Tactics:
    - Develop easy to write to APIs to the GlobalServe product architecture;
    - Employ dedicated service teams with the GlobalServe Professional Service Organization to work with Customers to quickly and effectively integrate systems.
    - Use Internet standard technologies and protocols to ensure ease of integration today and in the future – avoid bleeding edge technologies and quirky solutions.

2. Continually dedicate resources to the development of GlobalServe's products and services (existing and new) to bridge the gap between the market requirements and our sales and technology teams, ensuring that our competitive advantage is maintained and that we capitalize on any new opportunities.

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Tactics:
- Align our Product Development resources to have interaction and line responsibility that is tied to the customer.
- Anticipate customer demands and meet those demands before they are generated by the customer.

3. Use Market Intelligence to the Company's advantage – stay ahead of the trends, understand the positioning of any competitor, understand the needs of the market, deliver on those needs proactively.
Tactics:
- Never allow ourselves to operate in a vacuum.
- Make decisions based on empirical evidence in the marketplace whenever possible.

4. Allow open access through technology and other methods for on-going communications to the GlobalServe Partner Network, ensuring they are kept informed of developments and have effective access to GlobalServe's solutions of web based systems.
Tactics:
- Develop open-architecture solutions.
- Employ a world-class service organization to support the technology.

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Competition, Threats and Challenges

Competition

There is not one Company that is approaching the market with the comprehensive web-based approach that is GlobalServe. Instead, there are a number of companies, some extremely large and in some cases extremely powerful, which are employing traditional means for meeting the various needs of this market. In some cases, these competitors may be able [at some point in the future] to offer competitive products and services. In most cases, the existing infrastructures and antiquated business processes that drive these organizations pose perhaps the biggest challenge to them emulating GlobalServe's approach. And in the meantime, GlobalServe is developing market expertise and building significant barrier to entry by securing [exclusive] relationships with the OEMs and Network Members, and by becoming technologically- and process-integrated in its customers systems.

The types of companies capable of executing successfully in this market space are those that have a keen understanding of the subtleties, and so, like GlobalServe, are often associated with or are a company that has a history in delivery services the old-fashioned way. However, GlobalServe is unique in that it originated as an alliance by its four early investors, and evolved into a stand-alone company in recognition that:

1.   None of the alliance partners could execute the strategy on their own;

2.   The alliance was forced to spin the idea out as a stand-alone company for the same reason competitors will have trouble – it is impossible to execute agreements in several countries when legacy commitments within those countries create an entangled web that neutralizes forward progress under different business models; and

3.   The strategy had merit as a stand-alone entity, and could develop into an incredibly profitable venture with a compelling investment return.

A summary of the types of organizations, and the most formidable companies within these categories, which either do or may pose a competitive threat to GlobalServe:

1.   The International Value Added Reseller.   One strategy for addressing the needs of the GlobalServe market has been to attempt to build a multinational reseller. While administratively very complex and even daunting, this is an attempt (an expensive one at that) to maintain control of the customer and to limit the customer's options.

   There are a few companies that label themselves as International VARs, although their reach is somewhat limited in comparison to GlobalServe's current and future network. The experience of these companies is patchy. None of them have adopted any form of strategic direction to resolve their issues, and expansion is very tricky and capital intense. Little consistency and a lack of structured service delivery is prevalent, and the reluctance to turn to business partners for certain geographic fulfillment is an example of the old world "walled garden" approach that worked so well even 10 years ago but is becoming obsolete with web-centric technologies.

   GlobalServe believes the flexibility of its network model is more effective, and that the sophistication of its customer base demands choice and alternatives. It also ensures that our Network Members do not become complacent, which often happens with subsidiary operations. Perhaps the biggest falling with the International Value Added Reseller Model, is the incredible reliance on infrastructure – property, plant and equipment, in addition to the local resources that must provide the in-country knowledge. GlobalServe leverages existing resources to effectively

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compete in the market and to deliver necessary services, and the Company does so without adding cumbersome infrastructure to its own operations.

2. __Large US Manufacturers__. There is a trend to attempt to serve international clients direct by certain large domestic manufacturers that do not have the legacy distribution networks and VAR relationships. There are several problems with this direct model when viewed from an international perspective:

   a. There are different "in-country" laws, tariffs, taxes and fulfillment issues and logistics that prohibit a "one size fits all" approach -- exactly why the OEMs have utilized VAR relationships for so many years.

   b. Trying to work around the VARS to maintain relationships with the end customer, OEMs lose the specific in-country knowledge that is so vital to success.

   c. Rarely can an OEM organization deliver or rarely do they want to deliver both tailored product and services at all times, as their focus tends to be strictly based on margin and market trend. By essentially broking both services and product, GlobalServe is able to deliver comprehensive solutions to its customer base, without regard to the corporate strategy of the month. And, without regard to market risk related to cyclical or other trends due to its employ of third party Network Members.

3. __International outsourcing companies__. These companies can expedite outsourcing needs for an entire organization, but tend to have an inward look at execution of the business, with a strategy that focuses on keeping knowledge within its walls and out of the hands of the customer. GlobalServe believes the customer deserves the knowledge to make informed decisions, deserves open access to critical information, and deserves choice in the selection of its fulfillment sources and in alternatives [if necessary] when performance failings demand alternatives. While the largest of the Global 1000 may feel comfortable with the biggest international outsourcers, the trend appears to be moving the other way.

GlobalServe views the International Outsourcer as more of an opportunity than a threat, and will work to establish alliances to assist those companies with market penetration in territories that have not yet been exploited. The Company is considering a private label product of its technology and systems to accommodate the ordering, tracking and fulfillment of products and services for companies into which the International Outsourcers already have relationships.

Conclusion

None of the above mentioned types of competitors are directly comparable to GlobalServe. To date no direct competitor has been identified in the space we will lead and in many respects are leading. The above represents the type of organisations from which we will win customers, from GlobalServe historical direct competitors (ICG, TGA and ACSL) through to the worlds IT powerhouses (EDS, Dell, IBM and Compaq). Nearly all of our competitors also represent partnering opportunities which is the reality in the Global Market place for IT and IT services. Our Internet based approach makes us very attractive to all concerned, as that company can inter-connect and enhance their own service execution capabilities.

Comparison of Competition

A comparison of Competitors is included as Appendix E.

Threats

It is possible that the Direct Model might be implemented effectively by one of the major OEMs as far as equipment provisioning. Remote service desk support might also be attempted by one of the major service providers. The threats are real, but by their very nature fail when compared with the GlobalServe model.

1. Direct. Assuming that existing OEMs would risk their global VAR networks to go direct or that emerging, or "next generation" manufacturers might try direct (think of Dell but realize that 60% of even Dell products are touched by a distributor before it gets to the end consumer). The direct approach has several failings when compared with GlobalServe, the most notable of which are outlined here:

    a. GlobalServe is a multi-vendor aggregator, allowing the customer, through one system and one interface, to manage the global procurement of computer products and services through a variety of OEMs. The direct model assumes forcing the buyer through a series of proprietary OEM systems to reach the same end.

    b. GlobalServe combines products and services under the same roof, and augments those services with its own small but highly effective Professional Services Organization.

    c. GlobalServe is leveraging in-country infrastructure and a local knowledge base derived from the heavy lifting of its investors in years gone by — an advantage that give GlobalServe instant access, instant credibility and instant penetration in a variety of local markets. CompuCom, Compugen, Compel and Infopoint are *survivors* in one of the most aggressive markets in the world.

2. Remote Service Desk Alternatives. The sophistication of technologies, network administrative devices and databases today allow service and support companies to do things never thought possible just a few years ago. The ability to tunnel into customers systems for remote problem detection and fixes translates into a sweeping opportunity to lower costs by reducing on-site staff and by automating so much of the network administration services through use of intelligent devices. Still, accomplishing what GlobalServe is already doing poses challenges:

    a. Through its web of Network Members, GlobalServe can ensure an organization finds the right in-country resources when remote just isn't enough, which is often the case.

    b. GlobalServe has no other agenda then to deliver quality service through its network; it is independent and not linked specifically to any one manufacturer or to that manufacturer's products.

    c. GlobalServe allows the customer access to its systems — from call status and dispatch, through resolution. The GlobalServe approach of integration of systems allows a customer to be apprised of the situation 24 hours a day, seven days a week. The system is updated by Manufacturers, Network Members, GlobalServe and the Customer itself to provide an all access, open view of the progress in solving the problem — no bottlenecks and no obscuring of issues or problems.

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Barriers to Entry

GlobalServe Intends to continue its market leading position In the delivery of aggregated web-based global computer and computer services procurement and supply chain management by employing and exploiting these barriers to competitive entry:

1. GlobalServe's partnerships with its investors have created exclusive relationships with those providers and exclude competitive service relationships with those firms by any newcomer to the market.

2. GlobalServe has developed sophisticated and proprietary technology that Is open ended with easy API connectivity to existing systems of Customers, Network Members, and OEMs. Its highly talented Professional Services Organization also fulfills Its own internal needs In fulfilling system Integration between GlobalServe and Its customers. The principal goal of the coming year Is to Integrate seamlessly into the proprietary systems of these partners and customers, thereby Integrating In every component of procurement through payment – and In doing so becoming a natural extension of that organization and indisplaceable by any competitor.

3. GlobalServe has over 15 Fulfillment Services Agreements with Network Members In place today. The goal is to have over 70 In place by end of year, 2000. Many of these relationships came through introductions by Its strategic partners and Investors, jumpstarting the process and gaining an entry where none would be found as a start-up without those connections. Now GlobalServe can leverage those existing contracts to cover more ground faster. This translates Into greater presence, farther reach, deeper penetration – and market domination.

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Appendix A: Unaudited Financial Statements for year ended December 31, 1999.

In US funds, as prepared by the firm's UK accountancy corporation.

Balance Sheet

	Consolidated	GS UK	GS Americas
CURRENT ASSETS			
Cash	921	661	260
Trade debtors	2,111	1,046	1,065
Other debtors and prepayments	183	154	29
Inter company/division	0	157	0
	3,215	2,018	1,354
CAPITAL ASSETS			
Trademarks etc	80	80	0
Net provisioning	460	0	460
GlobalServe Online	168	168	0
Office Furniture & Equipment	107	41	66
	815	289	526
CURRENT LIABILITIES			
Trade creditors	-2,137	-926	-1,211
Deferred Income	-267	-171	-96
Other creditors and accruals	-1,039	-891	-148
Inter company/division	0	0	-157
	-3,443	-1,988	-1,612
LONG TERM LIABILITIES	-30	0	-30
NET ASSETS (LIABILITIES)	557	319	238
Ordinary Share Capital	13	13	
Share Premium Account	147	147	
Preference Share Capital	80	80	
Profit & Loss 1998	5	0	5
Profit & Loss 1999	312	79	233
SHAREHOLDERS' FUNDS	557	319	238

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Income Statement
rate = 1.6 US$: £1

	Consolidated	GS UK	GS Americas
		ACTUAL to DECEMBER	
INCOME			
Network member fees	904	425	479
Manufacturer funds	472	112	360
	1,376	537	839
GTE moneys received/due	451	451	0
GTE Doubtful Debt	-158	-158	0
PSO	472	143	329
Product Sales	1,936	689	1,247
Reimbursed Expenses / Costs	104	0	104
	2,805	1,125	1,680
Total Income	4,181	1,662	2,519
COST OF SALES			
Cost of goods and services sold	1,919	608	1,311
Total Cost of Sales	1,919	608	1,311
GROSS MARGIN	2,262	1,054	1,208
OPERATING EXPENSES			
Compensation	1,194	631	563
Travel and subsistence	202	65	137
Office facilities and communication	190	82	108
Leased Equipment	1	0	1
IT Costs	63	50	13
Bad Debts	22	0	22
Marketing activities	0	0	0
Professional fees	183	53	130
Total Operating Expenses	1,855	881	974
EBDIT	407	173	234
Depreciation	73	73	0
EBIT	334	100	234
Interest received and other income	5	5	0
Bank charges / foreign exchange	-6	-5	-1
EARNINGS (LOSS) BEFORE TAXES	333	100	233
Income taxes	21	21	0
NET PROFIT/(LOSS)	312	79	233

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Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 1999		000's US$
Operating profit		315
Reconciliation to cash generated from operations:		
Depreciation of tangible assets		104
Add on loss on foreign exchange rate variances		6
Take off increase in debtors within one year		-1,941
Add on increase in creditors within one year		2,238
Cash generated from operations		722
Add on Bank interest received		5
Take off Tax paid		-2
Net increase in cash		725
Cash at bank at the beginning of the year:	UK	177
	US	19
Cash at bank at end of year		921
Consisting of cash at bank:	UK	661
	US	260
		921

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Appendix B

Management Notes to Five Year Forecast
- Include Current Capitalization Structure / Capitalization Table

Five Year Forecast
- Annual Summary By Year – Balance Sheet, Income Statement, Cash Flow Statement
- Detail by Month (first two years), and quarters or annual through Year Five, **available upon request**

Global Serve - Financial Notes to Forecast

Capitalization Table
Founding corporate investors have provided the Company with approximately $240,000 of capital and other assets. Details:

	Series A Ordinary Shares	Series B Ordinary Shares	Series C Ordinary (ISO) Shares	Redeem-able Preferred Shares	Total Shares	Percent Ownership
CompuCom Systems, Inc.	200,000	-	-	25,000	225,000	25.22%
Infopoint SA	200,000	-	-	25,000	225,000	25.22%
Compugen Systems, Ltd.	200,000	-	-	-	200,000	22.42%
Compel Group, PLC	200,000	-	-	-	200,000	22.42%
Edwards, Jonathan	-	42,100	-	-	42,100	4.72%
Total					892,100	100.00%

The forecast assumes:
- first-round equity raise of $10,000,000 in Month 4 (April, 2000);
- an additional capital raise of $10,000,000 in January, 2001;
- consistent positive EBIT is expected to begin within two years (Fourth Quarter, 2001), with consistent positive Cash Flow beginning a few months later.

Key Forecast Revenue Assumptions

Netprovisioning.com – assumes:
- April, 2000 start date
- Sales growth that reflects the following at 12 month intervals:

Customer	M 12	M 24	M 36	M 48	M 60
Global 1000	23	59	95	131	167
Next 2500	30	76	190	479	1,207

- Average annual gross purchase for each Global 1000 Customer: $14,400,000
- Average annual gross purchase for each Next 2500 Customer: $4,800,000
- Per Order sales commission that averages ½ of 1% of gross volume purchased.

RemoteServiceDesk.com – assumes:
- A certain percentage of Netprovisioning.com customers will also engage Global Serve for remoteservicedesk.com services – roughly 45% of early day customers, decreasing to 25% of

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netprovisioning.com customers over time, assuming that the broader the audience, the more in-house support services and other alternatives available and employed.

- Assumes 25% of all customers select Level 1 Service (6 hour response) at an annual average service cost of $300 per device;
- Assumes 45% of all customers select Level 2 Service (8/16 hour response) at an annual average service cost of $240 per device;
- Assumes 30% of all customers select Level 3 Service (24 hour response) at an annual average service cost of $180 per device;
- Assume an average of 3,000 devices under maintenance and support per contract.

Professional Services – assumes:
- A $15,000 charge for each set-up of a Netprovisioning.com customer account;
- That 20% of all customers will need some level of PSO support in any given month;
- an average of 100 hours per month in billed services for each PSO customer;
- an average rate of $180/hour.

Other Key Data

Employees - growth at indicated time periods:

Time	Dec. 2000	Dec. 2001	Dec. 2002	Dec. 2003	Dec. 2004
Number Employees (Total)	81	127	172	262	466
Annualized Revenue Per Employee at each Year End (000)	$131	$172	$246	$312	$382

Advertising and Promotion – assumes that direct marketing and viral marketing programs will be employed to secure sales and that advertising and promotional will be used to enhance awareness, support trade and industry events, and support branding strategies. The model assumes the following annual expenditures:

	Year 1	Year 2	Year 3	Year 4	Year 5
Forecast (in 000's)	$1,825	$3,750	$4,800	$5,100	$5,400

Cash –assumes:
- a beginning cash balance, which as of 12/31/99 was $921,000.

Accounts Receivable and Cash Flow from Collections in general – assumes:
- 50% collected within 30 days of sale and 80% within 60 days of sale; 95% within 90 days of sale and 100% within 120 days of sale.
- Assumes use of significant Accounts Receivable balance as of 12/31/99 of $2.1 million over the first four months of Year 2000.

Computer Equipment – assumes:
- approximately $2,200,000 of computer equipment and capitalized software components (e.g. database) during its first year of operations, with additional purchases throughout the forecast.

Equipment Lease Payable – assumes:
- none. That all computers are purchased. The Company will seek leasing wherever possible, but does not count on leasing for purposes of the forecast.

Accounts Payable – assumes:
- month-end carry at 40% total expenses escalating to 55% over time.

- a significant reduction of existing accounts payable and accrued expenses of $3.2 million as of 12/31/99 over the first five months of 2000 up and through time of funding in April, 2000.

Other

Management strongly believes that anticipation of business trends and the management of internal financial data are important to the daily execution of this business plan. As such, an extensive and comprehensive forecasting model has been built which will allow Management to track its assumptions and make adjustments as necessary to insure effective fiduciary control and planning. Extensive and detailed models have been designed and can be shared upon request.

	2000	2001	2002	2003	2004
BALANCE SHEET					
Assets					
Current Assets					
Cash	969,955	6,353,781	8,191,580	17,449,722	41,502,430
A/R	3,310,846	6,738,239	12,506,527	23,030,824	50,769,656
Inventory	0	0	0	0	0
Deposits	90,000	75,000	75,000	200,000	325,000
Prepaid Expenses	0	0	0	0	0
Total Current Assets	4,370,802	13,167,020	20,773,117	40,680,546	92,597,086
Property, Plant and Equipment					
Computer Equip	2,239,742	4,094,351	5,973,165	7,900,402	10,163,734
Furn & Fixtures	84,861	107,934	130,476	354,952	834,115
Office Equipment	120,600	138,600	166,600	246,600	246,600
Other Capitalized Assets	628,000	628,000	628,000	628,000	628,000
Leasehold Improvements	22,500	22,500	22,500	72,500	153,750
Total Property Plant and Equip	3,095,703	4,888,385	6,920,741	9,212,455	12,026,199
Accumulated Depreciation	(486,295)	(1,585,693)	(3,315,067)	(5,723,827)	(8,961,856)
Net Property Plant and Equipment	2,609,408	3,403,692	3,605,674	3,488,628	3,064,343
Intangible Assets					
Trademarks	80,000	80,000	80,000	80,000	80,000
Open	0	0	0	0	0
Total Intangible Assets	80,000	80,000	80,000	80,000	80,000
Accumulated Amortization	(16,000)	(32,000)	(48,000)	(64,000)	(80,000)
Net Intangible Assets	64,000	48,000	32,000	16,000	0
TOTAL ASSETS	7,044,210	16,618,713	24,410,791	44,185,173	95,661,428
LIABILITIES					
Current Liabilities					
Capitalized Lease Payables	0	0	0	0	0
Bank Loan Payable	0	0	0	0	0
Bonus Payable	75,000	120,000	225,482	383,760	1,063,665
Deferred Revenue	0	0	0	0	0
A/P - Trade	1,177,602	2,323,905	3,767,240	6,237,731	13,257,596
Total Current Liabilities	1,252,602	2,443,905	3,992,722	6,641,491	14,321,260
Long Term Liabilities					
Notes Payable	0	0	0	0	0
Interest Payable	0	0	0	0	0
Total Long Term Liabilities	0	0	0	0	0
Taxes Payable					
Tax Payable	0	0	449,231	3,522,252	8,948,973
Total Taxes Payable	0	0	449,231	3,522,252	8,948,973
TOTAL LIABILITIES	1,252,602	2,443,905	4,441,953	10,163,743	23,270,233
EQUITY					
Capital	10,240,000	20,240,000	20,240,000	20,240,000	20,240,000
Retained Earnings	317,000	(4,448,391)	(6,065,192)	(271,163)	13,781,430
Net Profit (loss)	(4,765,391)	(1,616,801)	5,794,029	14,052,593	38,369,766
TOTAL EQUITY	5,791,609	14,174,808	19,968,837	34,021,430	72,391,196
TOTAL LIABILITIES AND EQUITY	7,044,210	16,618,713	24,410,791	44,185,173	95,661,428

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INCOME STATEMENT	2000	2001	2002	2003	2004
Total Revenue in:					
Netprovisioning.com	870,000	4,293,184	8,749,347	16,043,646	30,476,834
RemoteServiceDesk.com	7,644,104	25,775.909	44,271,718	78,118,500	172,216,305
Professional Services	2,907,000	6,323,436	12,292,748	24,931,136	54,387,575
Total Revenue All Services	11,421,104	38,392,529	65,313,812	119,093,282	257,080,714
Cost of Sales					
Salaries	1,002,870	2,846,360	5,047,760	9,773,294	21,655,443
Payroll Tax	80,230	227,709	403,821	781,864	1,732,435
Benefits	80,230	227,709	403,821	781,864	1,732,435
Travel and Entertainment	146,176	480,187	917,928	1,873,652	4,076,761
Phone and Remote	136,200	623,896	1,374,037	2,909,111	6,409,308
Subcontractors	5,748,010	18,335,968	30,304,794	49,836,008	106,516,149
Total Cost of Sales	7,193,717	22,721,806	38,452,160	65,954,792	142,122,531
Gross Profit	4,227,387	13,870,721	26,861,652	53,138,490	114,958,183
	37.0%	37.6%	41.1%	44.6%	44.7%
Selling, General & Administrative					
Salaries - SG&A	3,068,137	5,007,231	6,520,436	8,321,376	11,032,969
Commissions - Sales	285,528	909,813	1,632,845	2,977,332	6,427,018
Bonus Accrual	75,000	120,000	225,482	383,760	1,063,665
Workers Comp and GL	3,500	117,804	173,523	271,420	490,326
Payroll Taxes	268,293	473,364	652,283	903,897	1,396,799
Health and Other Emp Ins	245,451	400,578	521,635	685,710	882,636
Recruiting	145,000	120,000	180,000	240,000	284,000
Travel	379,133	746,301	1,044,083	1,529,856	2,588,282
Meetings/Meals	31,594	62,192	87,007	127,488	215,690
Relocation	15,000	36,000	60,000	60,000	96,000
Misc. Benefits	9,000	18,000	32,500	60,000	120,000
Payroll Service	4,031	7,703	10,681	15,539	26,123
Advertising/Promotion	1,825,000	3,750,000	4,800,000	5,100,000	5,400,000
Seminars/Special Events	81,000	108,000	108,000	108,000	108,000
Printing/Creative	27,500	20,000	20,000	20,000	20,000
Misc. Licenses & Fees	2,400	2,400	2,400	2,400	2,400
Membership & Subscriptions	2,000	5,000	10,000	10,000	10,000
Professional/Legal Fees	255,000	360,000	421,408	655,013	1,413,944
Professional/Accounting	42,000	66,000	84,000	238,187	514,161
Prof Exp - Outside Marketing	65,500	144,000	180,000	280,844	514,161
Outsourced Tech Development	645,000	240,000	360,000	480,000	480,000
Rent and Utilities	407,000	450,000	450,000	1,200,000	1,950,000
Co-Location and Services	40,000	0	0	0	0
ISP and Data Network	74,000	144,000	192,000	240,000	240,000
Equipment Rent (PCs)	50,551	99,507	139,211	203,981	345,104
Copier and Other Leases	9,600	8,400	12,000	15,600	20,400
Non-Capital Equipment	14,000	30,000	42,000	48,000	51,000
Telephone	252,756	487,534	696,055	1,018,904	1,725,521
Postage & Freight	6,319	12,438	17,401	25,488	43,138
Office Supplies	12,638	24,877	34,803	50,995	86,278
Bad Debt	28,553	90,981	183,285	297,733	642,702
New Product Development	0	0	0	1,760,209	9,584,228
Start-Up and Org Costs	100,000	100,000	0	0	0
Depreciation & Amortization	502,295	1,115,399	1,745,374	2,424,760	3,254,029
Total Selling, General & Administrative	8,992,778	16,287,521	20,618,392	29,717,501	51,006,574
	-42%	-4%	10%	20%	25%
EBIT	(4,765,391)	(1,816,801)	6,243,261	23,420,988	63,949,810
Interest expense	0	0	0	0	0
Allowance for Tax	0	0	449,231	9,368,395	25,579,844
Net Income	(4,765,391)	(1,816,801)	5,794,029	14,052,593	38,369,766
	-42%	-4%	9%	12%	15%

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CASH FLOW STATEMENT	2000	2001	2002	2003	2004
Cash Flows from Operating Activities					
Income (loss)	(4,765,391)	(1,616,801)	5,794,029	14,052,593	38,369,766
Adjustments to Reconcile Net Income to Net Cash provided (used) by operations:					
Depreciation/Amortization	502,295	1,115,399	1,745,374	2,424,760	3,254,029
Increase (Decrease) In:					
Accounts Receivable	(1,199,846)	(3,427,392)	(5,788,288)	(10,524,297)	(27,738,833)
Inventory	0	0	0	0	0
Deposits	(80,000)	15,000	0	(125,000)	(125,000)
Prepaid Expenses	183,000	0	0	0	0
Increase (Decrease) in Accounts Payable	(2,028,398)	1,146,303	1,443,335	2,490,491	6,998,864
Increase (Decrease) in Deferred Revenue	(287,000)	0	0	0	0
Increase (Decrease) in Bonus Payable	75,000	45,000	105,482	158,278	679,805
Increase (Decrease) in Taxes Payable	0	0	449,231	3,073,020	5,426,721
Net Cash Provided by Operating Activities	(7,580,342)	(2,722,491)	3,789,164	11,549,846	26,866,452
Cash Flow from Investing Activities					
Purchases of Computer Equipment	(2,132,742)	(1,654,619)	(1,878,813)	(1,927,238)	(2,263,331)
Purchases of Furniture and Fixtures	(84,861)	(23,073)	(22,542)	(234,476)	(469,162)
Purchases of Office Equipment	(120,600)	(16,000)	(30,000)	(80,000)	0
Purchases of Other Assets	0	0	0	0	0
Purchases of Leasehold Improvements	(22,500)	0	0	(80,000)	(81,250)
Purchases of Intangible Assets	0	0	0	0	0
Cash Flow from Financing Activities					
Equipment Financing	0	0	0	0	0
Bank Loans	0	0	0	0	0
Notes Payable	0	0	0	0	0
Interest Payable	0	0	0	0	0
Equity Contributions	10,000,000	10,000,000	0	0	0
Net Increase in Cash:	48,955	5,383,826	1,837,808	9,258,132	24,052,708
Cash at Beginning of Period:	921,000	869,955	6,353,781	8,191,590	17,449,722
End Cash Balance	969,955	6,353,781	8,191,590	17,449,722	41,502,430

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Appendix C: Management Profiles

Jonathan Edwards – CEO.   The vision and drive behind GlobalServe comes from the hard-earned experience of serving the IT needs of the corporate world over the past two decades. He comes to Global Serve from CompuCom where he has served as VP of International. Jonathan Edwards is ideally positioned to serve as the CEO of GlobalServe, as he pioneered some of the industry's most innovative sales and service development campaigns thereby successfully retaining and winning contracts with some of the worlds largest corporations.

Grant Price – Director, Network Development.   Grant Price has over 17 years of practical experience in the international reseller and computer services market place.   This affirms that GlobalServe is founded on the best operational processes in the industry. His experience gained from working for some of the largest IT services companies, including most recently MCI Systemhouse, will ensure that GlobalServe is guided successfully through the challenge of international business transactions.

Jonas Hjerpe – Director, Marketing.   Jonas Hjerpe comes to GlobalServe from MCI Systemhouse. His unique combination of marketing, product development and technical skills, GlobalServe will leverage over 10 years of experience to ensure that it has to right offerings and marketing messages to achieve it's goals. With his practical experience in the field of web based solutions combined with leading edge marketing communications skills, GlobalServe will achieve its desired position in the market place at an unprecedented rate.

Steve Low – Director, Sales Americas.   Steve Low joined GlobalServe from CompuCom systems where he was one of the most successful sales representatives in the company's history.   With extensive knowledge of the US market, combined with experience of serving large international customers, Steve Low will provide the foundation for a successful sales development program and guide the GlobalServe sales teams to meeting and exceeding their targets.

Stephen Todd – Director, Sales EMEA.   Stephen has over 14 years experience in the desktop services industry, most recently with EDS and prior to that with a major European Reseller. In that time he has successfully built and managed a business portfolio, spanning various aspects of the industry. Ranging from PC supply agreements, full Outsourced Managed Services and more recently Business solutions encompassing the Internet and Customer relationship Management.

Josh Gervey – Director, Technology. Josh is an experienced technical manager and comes to Global Serve with thirteen years of technical experience, most recently within CompuCom where he had been one of the principals in the Enterprise Systems Management effort since joining that company from the Allerion acquisition in 1995.   His experience has been in designing and building Network Control Centers for companies such as Olivetti, Memorex-Telex, Bell Atlantic, NYNEX, and U.S. West, and Novell Inc. Also while at CompuCom, he was responsible for designing and building a Remote Network Management Center for CompuCom's customers as well as for CompuCom's internal network. Josh has a comprehensive working knowledge of current technology platforms at a level transcending technical differences. This has allowed him the perspective to create technically innovative service offerings that repeatedly win customer business. In addition to his technical contribution, Josh was responsible for the creation of all Technical Marketing collateral for the Enterprise Systems Management Practice, and frequently represented CompuCom at Industry Trade Shows and Vendor-sponsored panel discussions.

Appendix D: Organization Chart

Global Serve Organization Chart

Board of Directors
Thomas Lynch, Compucom; Harry Zarek, Compugen;
Phillipe Du Jardin, Infopoint; Vincent Wajs, Infopoint;
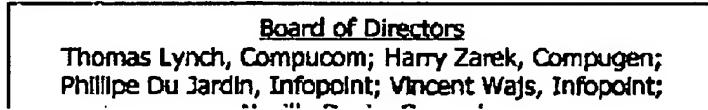
Appendix E: Competitive Analysis

Company	ECommerce	eServices	Business Model	Strength	Weakness	Conclusion
ICG	Y	N	Alliance of Partners with Holding Company	ICG was the first international re-seller model to be launched and have developed a strong customer base. Its founding partner ComputaCenter is a very successful business who are currently acquiring other re-seller in the European region.	Since ComputaCenter's flotation they have lost some momentum and key members of staff. Their US partner has also been purchased by Compaq which leaves unanswered questions. There are strong rumours that they may buy GE Capital's re-sellers in Europe, which would de-stabilize a successful business during integration. The US partner (and founder) has been purchased by Compaq, this has left many open issues.	ICG/ComputaCenter has always been a strong threat in the international arenas and they will remain so. Their strategy of buying re-seller across Europe could in the long run strengthen their position but it will make them vulnerable over the next 12-18 months.
TGA (Info Products)	N	N	Owned in-country subsidiaries + Alliances	Potential for proof of concept web tools to be turned into full applications.	The Global Alliance (TGA) formed by Info Products has over the past 12 lost two of it's most important partners, the UK and the USA. This left it very weak. Info Products in Europe is also up for sale. This means it has lost it's current momentum.	The TGA is currently not a threat, however depending on who purchases Info Products it may become a viable solution again after considerable investment in time, resources and capital.
ACSL	N	N	Alliance	ACSL has a very extensive Network covering over 120 countries.	The alliances model has been proved to be in-effective as a delivery method. This leaves ACSL with the same dilemma that GlobalServe faced when it moved from an alliance to the model we have today. Weak presence in the USA.	ACSL has extensive country coverage and carries the main manufacturer accreditation's. Vigilance is required as they could become strong under the right leadership and investment.
EDS	N	N	Global Corporation	One of the worlds largest IT companies with a strong presence in all core markets.	EDS is suffering from sever financial problems at the moment. Customers are also disillusioned with the services offered.	EDS is not a primary competitor but could become if they re-focus their strategy. They are a potential partner to GlobalServe like all the major Outsourcers and SI but need to be treated with care.
Dell	Y	N	Global Corporation	Direct supply model coupled with a proven e-commerce capability.	Poor services strategy, never proven. Reaching the size when it becomes more difficult for them to	Dell and other direct PC suppliers is the biggest competitive threat to NetProvisioning.

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Company	ECom-merce	eServices	Business Model	Strength	Weakness	Conclusion
					retain their dynamic approach to the market. No proven Global multi vendor strategy.	GlobalServe has many unique offerings to combat this direct threat, especially our full range of eServices. It should also be noted that potential partnerships can be formed with these vendors if customer demand is sufficient.
Compaq	Y	N	Global Corporation + Channel Partners and Services Organisation	Market leader in PC and Servers, International presence. Investment dollars.	Compaq has launched several direct business models, they still confuse the customer and have a string of failed eCommerce initiatives to their credit. The Digital acquisition has still not given them the services capability that they have been looking for.

Sales Bandwidth.

The Inacom acquisition to allow a direct model in the USA may work in the long term but for the next 12 months will be difficult to integrate. | Although Compaq are a direct threat the partnering opportunities are far greater. Compaq are beginning to see the need for a new generation of partners outside of the channel and GlobalServe represents that type of partnership. It is inevitable that we will compete however. |
| IBM | Y | Y | Global Corporation + Channel Partners and Services Organi-zation | Global IT powerhouse, strong global presence and history. IBM Global Services. | Confused direct models and eCommerce strategies.

Sales Bandwidth.

Traditional services model that customer are beginning to grow tired of. | Like Compaq, IBM will go direct. Although on the surface a direct competitor, they will need partners to make this model work, again GlobalServe is strongly position for this. Like Compaq we will compete, especially in the services space. |

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Appendix F: Technology Overview

The basic tenets of GlobalServe's technology strategy are as follows:

Core Beliefs

Principle: GlobalServe firmly believes that technology is solely present to enable the underlying business function. Our technology implementation smartly allows GlobalServe to deliver services based upon long-term business experience.

Principle: GlobalServe uses the same technology that it sells. All internal systems are monitored utilizing the same technology that GlobalServe uses to provide monitoring services to its' customers. The same software and configuration that provides Help Desk services to customers exists to increase productivity for GlobalServe employees as well.

Networking design and configuration

Principle: Straightforward and solid networking design, based upon established and proven hardware platforms – leveraging fault tolerant components and internetworking connections.

Application: GlobalServe uses current and maximized fault-tolerant Compaq Server platforms in a fault-tolerant configuration, connected by Cisco internetworking hardware (also configured in a redundant design). GlobalServe production facilities are serviced by two independent carriers (SprintCore and Cable and Wireless) to promote alternate paths for all customers. This configuration reduces risk, network traffic congestion, and keeps bandwidth charges on each line to a minimum (which can actually be cheaper over the long term).

Software composition:

Principle: The overwhelming majority of all systems are comprised of industry standard software packages, all fully maximized and configured by senior consultants and experienced developers. An important minority of software is comprised of utility modules, designed by GlobalServe's senior consultants and implemented by GlobalServe's established and industry-proven software developers. These modules were conceived as a result of years of field experience to promote maximum usability and to deliver optimum operational efficiencies.

Application: GlobalServe utilizes Microsoft NT 4.0 Servers and SQL Server software as the primary OS and database configuration for all service offerings. Microsoft Exchange provides internal mail service and also provides email notification services (for SLA notifications and escalations, as well as for Network Management alerts). Microsoft-based Web Servers provide Internet access to all GlobalServe services. An expertly configured UNICENTER TNG Enterprise Network and Systems Management Framework continuously monitor all systems and services, with all detected alerts automatically driven into a similarly configured Advanced Help Desk System. Properly integrated element managers, such as Ciscoworks, IBM Netfinity Manager, Compaq Insight Manager all contribute expert agent and configuration capability to the open standards-based Computer Associates framework.

Operations:

Principle: Conviction-based approach to Disaster Recovery and Continuous Automated Monitoring Systems. GlobalServe firmly believes that system failure is inevitable. The key to continuous business service is the ability to detect failures quickly and to be able to institute corrective actions immediately. This philosophy applies to all GlobalServe systems, from customer solutions systems to internal communications servers and workflow automation software. Where primary systems fail and redundancy keeps services available, a single point of failure condition exists. GlobalServe strives to utilize strong backup systems, hot-swappable hardware configurations, effective vendor maintenance contracts, and expert Network and Systems Management technology – in order to promote maximum system availability while keeping costs of ownership to a minimum.

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Application: GlobalServe utilizes Compaq servers with RAID configurations. As mentioned above, Computer Associates products provide the Network and Systems Management framework into which many other products are integrated. Additionally, the industry-leading ARCserve backup system (also from Computer Associates) is used to backup all production systems. GlobalServe extensively utilizes OpenFile Agent technology to enable systems to be backed up without having to limit access to users and customers.

Future Directions:

GlobalServe is planning on implementing clustered server configurations to further reduce the potential of service interruptions. Implementation of a Storage Area Network is also planned such that data backup traffic can be completely eliminated from customer and internal user access paths to systems. Additional investment in monitoring technology in the form of event reduction and consolidation applications will further reduce detection and problem identification times, reducing the potential of outages and making service restoration even faster for both internal systems and for customer equipment monitored by GlobalServe.

Feature updates to the current service offerings can be categorized as follows:

NetProvisioning: Most importantly, bi-directional data flow between GlobalServe, customer provisioning systems, and fulfillment partners is currently in development. GlobalServe will *embrace* XML as the leading data interchange standard and will strongly support other standards – such as EDI, OBI, Email, and FTP.

RemoteServiceDesk.com: GlobalServe is already extending the current offering to include Network and Systems Management functionality, based upon years of extensive experience of deploying Network Operations Centers for industry leaders worldwide. GlobalServe will also be focusing on extending the reach of the Service Desk element to include Down-to-Desktop support (Internet-based Remote Control) functionality to its' customers.

Utility software: As GlobalServe continues to develop and perfect our delivery mechanisms, the utility code used to enhance operational efficiency can be marketed and sold to other users of the same technology.

Proprietary Nature of the Product

It is important to understand that GlobalServe is an operationally sound organization, and that the focus is on operational excellence and efficiency. Technical flash has never been a cornerstone of our systems, whereas smart design and operational innovation have been the highlights. GlobalServe's technology division has an average of 15 years of field and service operations experience, and have designed and installed over 20 Network Operations Centers for some of the largest service organizations in the world. The division has also been recognized as innovative and capable developers for some of the largest technology companies in the Network and Systems Management field. In terms of Global Provisioning, our business division has coordinated large global deals for over 15 years. Experience is the foundation of our technology decisions and strategy.

It is also important to know your organizational limits - and GlobalServe does. The "time to market" concept is something we understand very well. Our approach to creating the systems that GlobalServe offers has been very realistic and cost-effective. Our strategy is as follows:

- Leverage the best existing technology to its' full potential, while driving the vendor to enhance functionality. We evaluate many systems against strong and focused criteria – so that our dollars are maximized and we start from the strongest of all possible points.
- We will add laser-pointed functionality where needed to existing technology. We are uniquely capable of understanding what is needed and can develop and implement exceedingly well. These "utility modules" are then proprietary components that tangibly improve the functionality of industry leading products to the benefit of GlobalServe operations.
- Where we have needed to create a new solution, such as NetProvisioning, we will outsource the system programming, while focusing on the vision and business value of the design.

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Our "solution" is technically stronger -- as it becomes the sum of excellent parts. It combines strong products with technical vision and developmental capability. The gives Global Serve a complete solution that would be hard to emulate by any competitor. It isn't that the solution is not possible to emulate, but it would require having the technological / operational vision (which is very difficult to obtain) *and* a very sophisticated developmental capability, which can be even more difficult to obtain these days.

Additionally, since GlobalServe is not tied to any vendor solution – we achieve another differentiating factor that can limit competition. Traditionally, the only players that could afford to develop the vision and can develop proper solutions are vendors of this type of software. The vendors are limited to their own products and are generally focused on selling their solutions – as opposed to growing the operational experience that GlobalServe already possesses.

Global Serve has partnered with Snickelways Interactive of New York in the development of its site and its Netprovisioning product.

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Appendix G: Network Member List

AMERICAS REGION:

MEMBER NAME	CONTRACT TYPE	CONTRACT DATE	FEE
Compucom Systems Inc.	MSNRA	Apr 1, 1998	$250,000
Compugen Group, Inc.	MSNRA	Mar 1, 1999	$100,000
Grupo Qualita, S.A. DE C.V.	MSNRA	Jan 12, 1999	$25,000
Informatic El Cortes Ingles	FSA	Jan 1, 2000	Per Work Agreement(s)
Lasercomputacion y Perfericos C.A.	MSNRA	Oct 22, 1999	$10,000
Microware Eletronica e Informatica Ltda	MSNRA	Jan 24, 2000	$10,000

EMEA REGION:

MEMBER NAME	CONTRACT TYPE	CONTRACT DATE	FEE
ADA	FSA	Jan 1, 2000	Per Work Agreement(s)
ASIF Electronics Limited	FSA	Jan 1, 2000	Per Work Agreement(s)
BICOM	FSA	Jan 1, 2000	Per Work Agreement(s)
Buro Handel GMBH	MSNRA	June 1, 1999	$40,000
Centro Computer Milano SPA	MRA	Jan 11, 1999	$35,000
Compel	MRA	June 17, 1999	$40,000
Dolmen Computer Applications	MSNRA	June 1, 1999	$40,000
DSS Ireland	MRA	June 17, 1999	$40,000
ENTER	MSNRA	Apr 1, 1999	$25,000
Infogroup	MSNRA	June 10, 1999	$40,000
Infopoint SA	MRA	Apr 1, 1999	$140,000
ITG Computer LTD	MRA	June 1, 1999	$25,000
Kanematsu Corporation	MSNRA	Nov 24, 1998	$125,000
Merkantildata	FSA	Jan 1, 2000	Per Work Agreement(s)
Microware Eletronica e Informatica Ltda	FSA	Jan 1, 2000	Per Work Agreement(s)
MTF DATA St. Gallen AG	FSA	Jan 1, 2000	Per Work Agreement(s)
Novadata S.A.	MSNRA	Oct 6, 1999	$10,000
SH Topaz Technologies 1999 LTD	FSA	Jan 1, 2000	Per Work Agreement(s)
SIMAC LORJE	MSNRA	Oct 20, 1999	$60,000
SYSWARE Romania S.R.L.	FSA	Jan 1, 2000	Per Work Agreement(s)
TOREX Services Limited	FSA	Jan 1, 2000	Per Work Agreement(s)

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